



## **AGENDA**

### **BOARD OF MAYOR AND ALDERMEN REGULAR WORK SESSION**

**Monday, February 16, 2009  
Council Room — City Hall  
4:30 p.m.**

#### **Board of Mayor and Aldermen**

Mayor Dennis R. Phillips, Presiding

Alderman Valerie Joh

Vice Mayor Benjamin K. Mallicote

Alderman Charles K. Marsh, Jr.

Alderman Larry Munsey

Alderman Patrick W. Shull

Alderman Jantry Shupe

#### **Leadership Team**

John G. Campbell, City Manager

J. Michael Billingsley, City Attorney

Jim Demming, City Recorder/CFO

Craig Dye, Fire Chief

Jeff Fleming, Asst. City Manager, Development Services

Chris McCartt, Assistant to the City Manager

Ryan McReynolds, Public Works Director

Gale Osborne, Police Chief

Tim Whaley, Community and Gov't Relations Director

1. Call to Order
2. Roll Call
3. Work Session Tickler
4. Review of Items on February 17, 2009 Regular Business Agenda
5. Update Wastewater Treatment Plant Improvements-Ryan McReynolds, Nikki Ensor
6. Adjourn

**Citizens wishing to comment on agenda items, please come to the podium and state your name and address. Please limit your comments to five minutes. Thank you.**



## Work Session Tickler

February 16, 2009

### **Special Projects**

#### ***Higher Education Center***

***Jeff Fleming***

***Updated February 10, 2009***

Exterior and interior wall stud framing is ongoing and the exterior insulation is underway. HVAC ductwork is being installed. The framing for the new roof solar panels has been installed, and roof decking is complete. Most of the 1<sup>st</sup> floor slab on grade has been placed. Site work for the streetscape along Market Street is underway.

#### ***Wayfinding***

***Jack Qualls***

***Updated February 12, 2009***

Corbin Design presented to the Wayfinding Team on Wednesday January 30, the Wayfinding design concepts. The presentation included signage design criteria and two partial sign array concepts. Illustrations of the three types of signs that would be utilized in the system included large gateway identifiers, large vehicular guides, and small vehicular guide sign. Color schemes were also presented to demonstrate the importance of contrasting letters against different background color combinations. The team is in the process of determining which design concept is best suited for the Kingsport Wayfinding signs. Once the design concept has been determined, the next step includes additional sign types that will complete the signage system for example: pedestrian guide/map, parking identifiers, trailblazer vehicular, and site specific identifiers. The full design array of the signs is currently scheduled to be presented in March.

### **City Departments**

#### **Public Works**

##### ***Inflow & Infiltration***

##### ***Abatement Program***

***Ryan McReynolds***

***Updated February 12, 2009***

To date the City of Kingsport has rehabilitated approximately 32.3 miles of sanitary sewer line at a cost of \$22.1 Million. The City is presently working on two construction project in West Kingsport and Jackson Heights valued at \$2.2 Million (currently budgeted). After the completion of those projects, the City will be required to finish an additional two projects along Lynn Garden Drive and West View for a total future cost of \$2.3 Million.

#### **Engineering**

##### ***Gibson Mill Road Realignment***

***Hank Clabaugh,***

***Updated February 12, 2009***

The previously delayed overhead utility relocation has been scheduled for next week. This relocation will allow Thomas to resume with completion of the road and utility construction on Cassel Drive.

**Engineering, (continued)**

Rough grading on the road beds is practically complete. Approximately 80% of the utilities have been installed. The current central focus of the project is constructing the walls; abutments; and pier bases for the new bridge. Approximately 50% of the micro piles and bridge footers have been poured.

Thomas Construction Co. is the contractor.

The notice to proceed date for both contracts was November 3, 2008 and the original final completion for both projects was September 4, 2009. It is expected this project will be delayed at least by a month.

***Netherland Inn Bridge***

***Gary Dault***

***Updated February 12, 2009***

There has been no activity on the jobsite since early December. Work is anticipated to start back in mid-March.

**Water/Sewer**

***Automated Meter Reading***

***Chad Austin***

***Updated February 8, 2009***

Approximately 9,800 meters have been changed out thus far. Twenty four routes (of 128) are substantially complete. Testing for data collection is underway and going well.

Approximately 550 leak detectors have been installed.

**Transportation (Traffic)**

***Traffic Calming Measures***

***Michael Thompson***

***Updated February 11, 2009***

Bellingham Drive – Voting cards for the residents to vote yes or no for traffic calming have been sent out and are due back by February 20, 2009.

Essex & Suffolk Traffic Calming –Several requests for consideration from PFNA have been made including a change in the voting process, expansion of the "affected area" and consideration of an exception to the minimum requirements for traffic calming so that one other street (Sussex) could be included in the traffic calming plan of Preston Forest. Staff is reviewing these requests.

***Netherland Terrace***

***Street Lighting***

***Michael Thompson***

***Updated February 11, 2009***

AEP has submitted the permit required by CSX for approval and awaiting a response and cost from CSX.

***Indian Trail / Stone Drive***

***Signal & Median***

***Michael Thompson***

***Updated February 11, 2009***

The contract was awarded to Summers-Taylor, Inc. and they will begin work soon. The majority of the work will be performed at night so they need consistently high night time temperatures. Completion is scheduled on or before June 30, 2009.

**Transportation (Traffic) continued**

***Joseph O. Fuller Memorial  
Bridge Lighting***

***Michael Thompson***

***Updated February 11, 2009***

Quote has been obtained for replacement poles and fixtures for the 92 bridge lights. For material only this cost is \$115,000. Staff is evaluating other lighting options that would be less expensive, and provide the aesthetic value of the street lights but not the same lighting level. We are also obtaining additional quotes for street lighting. Staff is evaluating the 8 electrical services to these lights.

**Transportation (MPO)**

***Netherland Inn Bank Barn***

***Bill Albright***

***Updated February 13, 2009***

With the exception of some seeding and landscaping (when weather permits) all contracted exterior work is complete. Remaining interior work focuses primarily on the installation of flooring. Power is scheduled to be turned around February 16. The estimated completion date continues to be late February.

**Development Services**

***Cook's Point***

***Rack Cross***

***Updated February 12, 2009***

Cook's Point Planned Development site was visited for the purpose of general observation of compliance and progress. Photographs were taken of the construction area. The construction area continues to meet minimum standards. Cook's Point Developer Erick Fritz was contacted by telephone and shared that he had made necessary calls regarding the completion of the T turn around at the end of Cook's Point road and stated he expected construction of that project to begin soon. Mr. Fritz also stated that with the break in weather he is also ready to try a "cold patch" asphalt application around raised storm water grates along curbs.

**Leisure Services**

***Parks & Recreation  
Greenbelt***

***Kitty Frazier***

***Updated February 12, 2009***

Bids were received/opened for the Greenbelt section located between Sullivan Street/Cherokee Village and Cloud Park. Six bids were received with Duco Construction coming in with the low bid of \$247,398, which was \$53,607 under the engineers estimate. The bids have been approved by TDOT (the project granting agent) and a construction contract has been established with Ducco Construction. As required by TDOT an approved construction inspector will be secured for the job prior to actual construction. If you have any questions feel free to call Kitty Frazier at 229-9408.



***Kingsport Public Library***

***Helen Whittaker***

***Updated February 12, 2009***

The boiler that caused the fire has been replaced with a new one and the installation of the second boiler should be completed by February 13.

We pack up our Smithsonian Exhibit on February 16. Library staff provided 136 school programs to 2,565 elementary and middle school students. We hosted six special speaker programs with total attendance of 169 and six family movie nights with attendance of 26. Building attendance during the exhibit time in December was 7,526, during January it was 14,762. I expect we will add another 8,000-9,000 to the February building attendance statistics.

The special speaker programs were taped and are available on our website under "audio stories and podcasts." These videos have been linked to the Smithsonian's websites and are being linked to the USGS websites, at their request. Our use of the MP3 players with the students is being discussed by Smithsonian staff for possible implementation in future exhibits. (Their staff could produce the content and host sites could just download it as needed.) They thought it was a cool idea.

Our career volunteer is again providing free, one-on-one, resume preparation and job searching sessions.

***Kingsport Senior Center***

***Shirley Buchanan***

***Updated February 13, 2009***

The Senior Center recently asked for donations to include two high definition TV's to be used with the two Wii systems that were recently donated to the Center. One of our senior members saw the donation request and donated a 34inch HDTV along with a solid oak entertainment cabinet to house the Wii systems. We have also received around 170\$ in cash donations to be used to purchase the second TV. The Friends of the Senior Center group have committed to help with the remainder of the cost of the second TV so we are well on our way to offering the Wii systems on a daily basis to our membership.

Boys and Girls Club Update- The Senior Center programming at the Boys and Girls club has been a huge success. The line dance classes that were moved there are now seeing over 40 participants in each class. The yoga class that had around 12 people when it was held at the Senior Center had 25 in class this week. Cindy Price our Branch Coordinator had to ask the Boys and Girls club to unlock their additional parking lot in order for everyone to have a parking space that wanted to attend the advanced line dancing class. The Senior Center daily attendance average has now reached over 250 per day and we had over 200 new members join in the month of January alone. Chuck at the Boys and Girls club is loving the usage the club is getting and he also enjoys seeing the classes every morning.



## **AGENDA**

### **BOARD OF MAYOR AND ALDERMEN**

### **REGULAR BUSINESS MEETING**

**Tuesday, February 17, 2009  
Large Court Room – City Hall  
7:00 P.M.**

#### **Board of Mayor and Aldermen**

Mayor Dennis R. Phillips, Presiding

Alderman Valerie Joh  
Vice Mayor Benjamin K. Mallicote  
Alderman Charles K. Marsh, Jr.

Alderman Larry A. Munsey  
Alderman Patrick W. Shull  
Alderman Jantry Shupe

#### **City Administration**

John G. Campbell, City Manager  
J. Michael Billingsley, City Attorney  
James Demming, City Recorder

- I. CALL TO ORDER**
- II.A. PLEDGE OF ALLEGIANCE TO THE FLAG**
- II.B. INVOCATION** –Mitch Whisnant, Associate Minister – First Baptist Church
- III.B ROLL CALL**
- IV. RECOGNITIONS AND PRESENTATIONS**
  - 1. Docks and Dumpsters Awards – Sheila Canto
- V. APPROVAL OF MINUTES**
  - 1. February 2, 2009 Regular Work Session
  - 2. February 3, 2009 Regular Business Meeting

**VI. COMMUNITY INTEREST ITEMS****AA. PUBLIC HEARINGS**

None

**COMMENT**

**Citizens may speak on agenda items. When you come to the podium, please state your name and address and sign the register that is provided. You are encouraged to keep your comments non-personal in nature, and they should be limited to five minutes. A total of thirty minutes is allocated for public comment during this part of the agenda.**

**B. BUSINESS MATTERS REQUIRING FIRST READING**

1. Consideration of an Ordinance to Appropriate Funds From the School Reserve Accounts in the Eastman Annexation Fund (AF: 42-2009)
  - Ordinance – First Reading
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2. Consideration of an Ordinance Establishing an Improvement District to Provide Street Illumination of Linville Street between Lamont Avenue and Crescent Drive (AF: 33-2009)
  - Ordinance – First Reading
3. Consideration of an Ordinance to Accept the “Proposal of the Department of Transportation of the State of Tennessee to the City of Kingsport, Tennessee” for the Signalization of John B. Dennis Highway at Pavilion Drive and Authorize the Mayor to Sign all Applicable Documents (AF: 44-2009)
  - Ordinance – First Reading
4. Consideration of an Ordinance to amend the General Purpose School fund and the General Project Fund Budgets (AF: 37-2009)
  - Ordinance – First Reading

**C. BUSINESS MATTERS REQUIRING FINAL ADOPTION**

None

**D. OTHER BUSINESS**

1. Consideration of a Resolution Authorizing the Mayor to Execute a Right-of-Way Easement with Kingsport Power Company (AF: 26-2009)
  - Resolution
2. Consideration of a Resolution Awarding the Bid for Various Items for the City of Kingsport School Food and Nutrition Program to Gordon Food Service and Authorizing the Mayor to Sign all Applicable Documents (AF: 31-2009)
  - Resolution

3. Consideration of a Resolution Authorizing the Mayor to Sign a technical Services Agreement with Marriott Hotel Services, Inc. (AF: 45-2009)
  - Resolution
4. Consideration of a Resolution Adopting Administrative Relief From Duty, Separation From Employment, and Employment Verifications Policies (AF: 27-2009)
  - Resolution
5. Consideration of a Resolution to Authorize the Mayor to Execute all Documents Necessary for Amendments to the Kingsport Higher Education Center Architect's Agreement with McCarty Holsaple McCarty Architects, Inc. (AF: 47-2009)
  - Resolution

#### **E. APPOINTMENTS**

None

### **VII. CONSENT AGENDA**

**All matters listed under the Consent Agenda are considered in the ordinary course of business by the Board of Mayor and Aldermen and will be enacted on by one motion in the form listed. If discussion is desired by either the Board or the audience, the item in question will be removed from the Consent Agenda and considered separately.**

1. Consideration of an Ordinance Amending Various Code Provisions Allowing Sidewalk Cafe (AF: 29-2009)
  - Ordinance – Second Reading and Final Adoption
2. Consideration of an Ordinance to Appropriate Funds Necessary to enter into a Materials Agreement with Gary Alexander Related to Riverbend – Phase I (AF: 34-2009)
  - Ordinance – Second Reading and Final Adoption
3. Consideration of an Ordinance to Appropriate Funds to Complete the project for the Construction of the Rock springs fire Station to Trademark (AF: 28-2009)
  - Ordinance – Second Reading and Final Adoption
4. Consideration of an Ordinance to Amend the General Project Fund Budget by Appropriating Public Improvement Bond Series 2009A, G.O. Bond Series 2009B and Local Option Sales Tax Revenue and Tax Bond Series 2009C (AF: 36-2009)
  - Ordinance – Second Reading and Final Adoption
5. Consideration of Issuance of Certificate of Compliance for Greenacres Package Store to Sell Retail Alcoholic Beverages (AF: 46-2009)
  - Approve Certificate of Compliance

**VIII. COMMUNICATIONS**

- A. CITY MANAGER**
- B. MAYOR AND BOARD MEMBERS**
- C. VISITORS**

**Citizens may speak on issue-oriented items. When you come to the podium, please state your name and address and sign the register that is provided. You are encouraged to keep your comments non- personal in nature, and they should be limited to five minutes.**

**IX. ADJOURN**

Minutes of the Regular Work Session of the  
Board of Mayor and Aldermen, City of Kingsport, Tennessee  
Monday, February 2, 2009, 4:30 PM  
Council Room – City Hall

PRESENT:

Board of Mayor and Aldermen

Mayor Dennis R. Phillips

Vice-Mayor Benjamin K. Mallicote

(arrived at 4:52 p.m.)

Alderman Valerie Joh

Alderman Charles K. Marsh, Jr.

Alderman Larry A. Munsey

Alderman Patrick W. Shull

Alderman Jantry Shupe

City Administration

John G. Campbell, City Manager

J. Michael Billingsley, City Attorney

James H. Demming, City Recorder

1. **CALL TO ORDER:** 4:36 p.m., by Mayor Phillips. The Mayor recognized the members of Girl Scout Troop 183 who were in attendance.

2. **ROLL CALL:** By Deputy City Recorder Gilbert. Absent: Vice- Mayor Benjamin K. Mallicote (arrived after roll call at 4:52 p.m.).

3. **WORK SESSION TICKLER.** Alderman Marsh requested that Public Works Director Ryan McReynolds add the City's I & I (Inflow and Infiltration) program to the tickler to advise the Board of the progress as it nears completion.

4. **REVIEW OF AGENDA ITEMS ON FEBRUARY 3, 2009 REGULAR BUSINESS AGENDA.** City Manager Campbell, members of staff and community members provided a summary or presentation for each item on the proposed agenda. Those items the Board discussed at greater length or which received specific questions or concerns included:

**VI.B.1 Consideration of an Ordinance Amending Various Code Provisions Allowing Sidewalk Café Dining Facilities in the Downtown Business Area (AF: 29-2009).** City Attorney Billingsley provided background on this proposed ordinance to allow sidewalk dining. He explained the Beverage Board's involvement in reviewing and approving these Code amendments and he described the parameters of the "Downtown Business Area." He further described the permitting process, containment and signage requirements and confirmed that these provisions will provide a clear understanding to business owners of the City's expectations regarding outdoor seating.

**Minutes of the Regular Work Session of the Board of Mayor and Aldermen of Kingsport, Tennessee, Monday, February 2, 2009**

**VI.B.2 Consideration of a Resolution Awarding the Bid for the Construction of the Rock Springs Fire Station to Trademark of VA, Inc. and Authorizing the Mayor to Sign All Applicable Documents and Consideration of an Ordinance to Appropriate the Funds to Complete the Project (AF: 28-2009).** Fire Chief Craig Dye described the location of this construction site. Alderman Marsh inquired about the \$200,000 overrun from the original bid on the project and was assured by City Manager Campbell that there are funds to cover that amount. Completion of the construction will, hopefully, be completed around the first September, close to the opening of the new John Adams Elementary School in the Rock Springs area.

**VI.B.4 Consideration of an Ordinance to Amend the General Project Fund Budget by Appropriating Public Improvement Bond Series 2009A, G.O. Bond Series 2009B and Local Option Sales Tax Revenue and Tax Bond series 2009C (AF: 36-2009).** Both Aldermen Shull and Marsh expressed a desire to have these three bond issues considered separately because not all issues involved were passed unanimously. City Attorney Billingsley advised that Board members could move to amend to separate this ordinance and redraft for consideration in three separate ordinances on second reading. He added this procedure would prevent reading the ordinances in their entirety because they could be "prefiled" prior to the next meeting.

Vice Mayor Mallicote pointed out that issuance of the bonds had already been approved and specified for specific purposes and Mr. Billingsley confirmed that failure to appropriate and use the funds as previously designated and approved could create an issue for the City in terms of future borrowing. He further explained that this action item is to appropriate the money for bonds already sold.

**VI.D.9 Consideration of a Resolution Authorizing the Mayor to Execute a Contract and All Other Documents Necessary and Proper to Effectuate the Purpose of the Contract with Lose and Associates, Inc. in Order to Develop the Programming, Schematic Design and Design Development Phase for the Kingsport Aquatic Center (AF: 24-2009).** Mr. Charlie Glass, CEO/Executive Director of the Kingsport YMCA, provided info about the YMCA facility and amenities to be included in this aquatic center. The YMCA facility will be located, physically, adjacent to the City's aquatic center to allow YMCA staff to operate the entire facility. No one came forward at Mayor Phillips' invitation to share public comment on this subject.

**VI.D.10 Consideration of Issuance of Certificate of Compliance for Kelley's Package Store to Sell Alcoholic Beverages (AF: 32-2009).** Mayor Phillips reported that he owns the property from which this business will operate and he will recuse himself from the discussion and vote on this item.

**Minutes of the Regular Work Session of the Board of Mayor and Aldermen of  
Kingsport, Tennessee, Monday, February 2, 2009**

**5. UPDATE OF IMPROVEMENTS WITHIN TRASH (YARDWASTE) COLLECTION.**

Public Works Director Ryan McReynolds passed around a handheld PDA to allow Board members to see, firsthand, the device being used to improve trash collection.

Mr. McReynolds described a proposed trash collection schedule that would improve the efficiency of and guarantee trash pickup within one week and one day of each pickup. He went over a "route-based" Trash Schedule which he anticipates will result in fuel savings by reduction of fuel usage. He said there were potential hindrances such as small piles put out every week and he mentioned encouraging the public to compost rather than calling for or waiting for pick up by the City. Public Works has tested this composting system and found it will reduce the impact of trash pickup significantly.

Mr. McReynolds emphasized the need to spread the word, if the Board approves making these schedule changes, through newspaper coverage, Channel 16, Code Red Call out System and the information would be available on the City's new website.

On a different Public Works subject, Mayor Phillips has learned of a machine, at an expense of around \$180,000 that repairs potholes. He highly recommended the City consider purchase of this equipment before the next fall frost. Streets and Sanitation Manager Ronnie Hammonds said he tested the equipment and was pleased with the result. Mayor Phillips suggested renting it out to other nearby cities to assist with recouping the purchase cost.

**6. FUEL MANAGEMENT UPDATE.** Fleet Manager Steve Hightower went over a handout of information to update the Board on fuel expenditures, which currently are about 25.9% (approximately \$400,000) under budget due to lower fuel costs than expected.

Board discussion followed about the fiscal practicality of purchasing hybrid vehicles and whether operating "green" is beneficial, both environmentally and economically.

**BOARD COMMENT.** Alderman Marsh requested that the City Manager provide Board members with a profit and loss update on the MeadowView Conference Center in the near future.

**7. ADJOURN.** Seeing no other matters presented for discussion at this work session, Mayor Phillips adjourned the meeting at 6:43 p.m.

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ELIZABETH A. GILBERT  
Deputy City Recorder

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DENNIS R. PHILLIPS  
Mayor



Minutes of the Regular Business Meeting of the  
Board of Mayor and Aldermen of the City of Kingsport, Tennessee  
Tuesday, February 3, 2009, 7:00 PM  
Large Court Room – City Hall

**PRESENT:**

Board of Mayor and Aldermen

Mayor Dennis R. Phillips, Presiding  
Alderman Valerie Joh  
Vice-Mayor Benjamin K. Mallicote  
Alderman Charles K. Marsh, Jr.

Alderman Larry A. Munsey  
Alderman Patrick W. Shull  
Alderman Jantry Shupe

City Administration

John G. Campbell, City Manager  
J. Michael Billingsley, City Attorney  
James H. Demming, City Recorder

- I. CALL TO ORDER:** 7:00 p.m., by Mayor Dennis R. Phillips.
- II.A. PLEDGE OF ALLEGIANCE TO THE FLAG:** Led by Kingsport Deputy Fire Chief Scott Boyd.
- II.B. INVOCATION:** By Pastor Ed Clevinger of Grace Covenant Church.
- III. ROLL CALL:** By City Recorder Demming.
- IV. RECOGNITIONS AND PRESENTATIONS.** None.
- V. APPROVAL OF MINUTES.**

Motion/Second: Marsh/Shull, to approve minutes, as amended, for the following meetings:

- A. January 12, 2009 Regular Work Session
- B. January 13, 2009 Regular Business Meeting

Approved: All present voting "aye."

**VI. COMMUNITY INTEREST ITEMS.**

**AA. PUBLIC HEARINGS.** None

**A. PUBLIC COMMENT.** Mayor Phillips invited citizens in attendance to speak about any of the remaining agenda items.

**Ms. Barbara Brown** of Lomax Street in Kingsport, TN spoke on behalf of the City's youth regarding the need to keep Legion Pool open, especially if the new aquatic center

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, February 3, 2009**

is located in the MeadowView area. In response to Assistant to the City Manager Chris McCartt's assurance that Legion Pool will be kept open for at least a year or two, Ms. Brown indicated she would like that assurance to be put in writing by the Board. Ms. Brown voiced her disagreement with certain comments attributed to Alderman Joh in a recent newspaper article announcing her run for re-election as alderman.

Alderman Joh defended herself by pointing out that her newspapers quotes were not all in context and she emphasized her dedication to championing various projects around the area, while attempting to clarify various points made by Ms. Brown.

Alderman Shull pointed out that Board meeting protocol does not allow private attacks on Board members or derogative remarks about any specific person. Vice-Mayor Mallicote added his belief that elected officials should be able to endure public criticism but agreed that comments should be kept to non-personal in nature. Mayor Phillips stated he is hesitant to cut off any public comment, unless extremely personal in nature, but invited any Board member to interrupt, if that line is deemed crossed, and a determination whether the comment can continue will be made at that time.

Alderman Munsey mentioned that he also would like to see, in writing, that Legion Pool will remain open for a certain period of time and City Manager Campbell confirmed that the City will do so.

There being no one further coming forward to speak, the Mayor closed the public comment segment.

**B. BUSINESS MATTERS REQUIRING FIRST READING.**

**1. Consideration of an Ordinance Amending Various Code Provisions Allowing Sidewalk Café Dining Facilities (AF: 8-2009).** City Attorney Billingsley explained the background and parameters of this action.

Alderman Munsey explained why he is choosing to vote against this item because it allows the serving of alcohol on City property and the feedback he has received from citizens who do not agree with this action.

In response to an inquiry from Alderman Marsh on how the police department feels about allowing this Code amendment, Kingsport Police Chief Gale Osborne stated that maintaining the proper parameters, control and enforcing boundaries will determine whether this action works. Chief Osborne added that, as a member of the City's Beverage Board, he voted to approve sidewalk café dining to see if it will work.

Vice-Mayor Mallicote pointed out that this amendment will not change any public drunkenness ordinance or otherwise allow anyone to be a nuisance. He believes there

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, February 3, 2009**

will be a strong incentive for businesses to police themselves and he see this action as progressive and positive for the downtown dining facilities.

Alderman Shull confirmed with Chief Osborne that there have been no problems while policing the downtown concert series, which serves beer, over the past few years.

Motion/Second: Joh/Mallicote, to pass:

AN ORDINANCE TO AMEND THE CODE OF ORDINANCES, CITY OF KINGSPORT, TENNESSEE, CHAPTER 94, ARTICLE I REGARDING SIDEWALK CAFE DINING FACILITIES; CHAPTER 6, ARTICLE I, SECTIONS 1 AND 2 REGARDING POSSESSION OF OPEN CONTAINERS ON PUBLIC PROPERTY IN CERTAIN AREAS AND PUBLIC CONSUMPTION OF BEER IN CERTAIN AREAS; CHAPTER 6, ARTICLE III, SECTION 223 REGARDING OUTDOOR SERVICE AREAS AND SPECIAL PERMITS IN CERTAIN AREAS; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye," except Munsey voting "nay."

**2. Consideration of a Resolution to Authorize the Mayor to Sign all Documents Necessary to Enter into a Materials Agreement with Gary Alexander related to Riverbend – Phase I and Consideration of an Ordinance to Appropriate Funds (AF: 34-2009).**

Motion/Second: Mallicote/Munsey, to pass:

**Resolution 2009-162,** A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A MATERIALS AGREEMENT WITH GARY ALEXANDER FOR THE PROVISION OF CERTAIN WATER AND SEWER MATERIALS BY THE CITY FOR RIVERBEND PHASE I

Passed: All present voting "aye."

Motion/Second: Mallicote/Marsh, to pass:

AN ORDINANCE TO AMEND THE WATER AND SEWER PROJECT FUNDS BY TRANSFERRING FUNDS TO THE RIVERBEND DRIVE PHASE I MATERIALS AGREEMENT PROJECTS (WA0967 AND SW0967); AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

**3. Consideration of a Resolution Awarding the Bid for the Construction of the Rock Springs Fire Station to Trademark of VA and Authorizing the Mayor to Sign All Applicable Documents and Consideration of an Ordinance to Appropriate the Funds to Complete the Project (AF: 28-2009).** Alderman Marsh expressed his dismay that this contract was not awarded to a more local contractor when the bids appear to be very close. City Manager Campbell pointed out that the winning bid was from a Bristol, Virginia contractor, which is fairly local.

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, February 3, 2009**

Alderman Marsh mentioned a \$200,000 project cost overrun and would like to give this item more consideration before going any further. Mr. Campbell reminded the Board that the project's original estimated cost was two years ago and, although materials costs are going down, the project scope has been extended to include three bays, extra storage space, hazmat capability, as well as allowing for a police presence at this location.

Motion/Second: Shull/Joh, to pass:

**Resolution 2009-163, A RESOLUTION AWARDDING THE BID FOR CONSTRUCTION OF THE ROCK SPRINGS FIRE STATION TO TRADEMARK AND AUTHORIZING THE MAYOR TO EXECUTE ALL APPLICABLE DOCUMENTS**

Passed: All present voting "aye."

Motion/Second: Marsh/Joh, to pass:

**AN ORDINANCE TO AMEND THE GENERAL PROJECT FUND BUDGET BY TRANSFERRING FUNDS FROM THE FIRE STATION RENOVATIONS PROJECT (NC0600), FIRE DEPARTMENT EQUIPMENT PROJECT (GP0708) AND FIRE TRAINING FACILITY PROJECT (NC0614) TO THE ROCK SPRINGS FIRE STATION PROJECT (GP0710); AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE**

Passed on first reading: All present voting "aye."

**4. Consideration of an Ordinance to Amend the General Project Fund Budget by Appropriating Public Improvement Bond Series 2009A, G.O. Bond Series 2009B and Local Option Sales Tax Revenue and Tax Bond series 2009C (AF: 36-2009).** Alderman Shull wanted to clarify that this action is merely an accounting mechanism to appropriate the bond funds already approved in three previous Board actions, two of which he voted against; namely, the V.O. Dobbins Renovation project and the MeadowView Conference Center expansion.

Alderman Marsh shared that Kingsport citizens, as a result of these bond issuances, are obligated for \$50 to \$55 million for, what he sees as, special interest groups such as the MeadowView Conference Center and parking garages in lieu of giving taxpayer money back to taxpayers. Because of this viewpoint, he indicated he would have to vote against the entire issue.

Motion/Second: Munsey/Mallicote, to pass:

**AN ORDINANCE TO AMEND THE GENERAL PROJECT FUND AND THE MEADOWVIEW FUND BUDGETS BY APPROPRIATING GENERAL OBLIGATION PUBLIC IMPROVEMENT BOND, SERIES 2009A, GENERAL OBLIGATION BOND SERIES 2009B AND THE LOCAL OPTION SALES TAX REVENUE AND TAX BOND SERIES 2009C; FOR THE FISCAL YEAR ENDING JUNE 30, 2009; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE**

Passed on first reading: All present voting "aye," except Marsh voting "nay."

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, February 3, 2009**

**C. BUSINESS MATTERS REQUIRING FINAL ADOPTION.**

**1. Consideration of an Ordinance to Annex/Amend Zoning of the  
Warrior Falls 2008 Annexation (AF: 2-2009).**

Motion/Second: Joh/Mallicote, to pass:

**ORDINANCE NO. 5802**, AN ORDINANCE TO ANNEX THAT CERTAIN TERRITORY ADJOINING THE PRESENT CORPORATE BOUNDARIES OF THE CITY OF KINGSFORT, EMBRACING THAT CERTAIN PART OF THE 7TH CIVIL DISTRICT OF SULLIVAN COUNTY, TENNESSEE, AND KNOWN AS THE WARRIOR FALLS 2008 ANNEXATION, AS HEREINAFTER DESCRIBED; TO INCORPORATE THE SAME WITHIN THE CORPORATE BOUNDARIES OF THE CITY OF KINGSFORT, TENNESSEE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Munsey, Shull, Shupe and Phillips voting "aye."

Motion/Second: Joh/Mallicote, to pass:

**ORDINANCE NO. 5803**, AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG ARROWHEAD DRIVE AND TOMAHAWK DRIVE TO R-1B, RESIDENTIAL DISTRICT, IN THE 7TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Munsey, Shull, Shupe and Phillips voting "aye."

**2. Consideration of an Ordinance to Annex/Amend Zoning of the  
Wingate Road Annexation (AF: 3-2009).**

Motion/Second: Shull/Joh, to pass:

**ORDINANCE NO. 5804**, AN ORDINANCE TO ANNEX THAT CERTAIN TERRITORY ADJOINING THE PRESENT CORPORATE BOUNDARIES OF THE CITY OF KINGSFORT, EMBRACING THAT CERTAIN PART OF THE 13TH CIVIL DISTRICT OF SULLIVAN COUNTY, TENNESSEE, AND KNOWN AS THE WINGATE ROAD ANNEXATION, AS HEREINAFTER DESCRIBED; TO INCORPORATE THE SAME WITHIN THE CORPORATE BOUNDARIES OF THE CITY OF KINGSFORT, TENNESSEE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Munsey, Shull, Shupe and Phillips voting "aye."

Motion/Second: Joh/Munsey, to pass:

**ORDINANCE NO. 5805**, AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG WINGATE ROAD TO R-1B, RESIDENTIAL DISTRICT, IN THE 13TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, February 3, 2009**

FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE  
EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Munsey, Shull,  
Shupe and Phillips voting "aye."

**D. OTHER BUSINESS.**

**1. Consideration of a Resolution Awarding the Bid for the Purchase  
of a Single Axle Dump Truck to Worldwide Equipment, Inc.**  
(AF: 18-2009).

Motion/Second: Marsh/Shupe, to pass:

**Resolution No. 2009-164**, A RESOLUTION AWARDDING THE BID FOR PURCHASE  
OF ONE SINGLE AXLE DUMP TRUCK FOR USE BY THE PUBLIC WORKS  
DEPARTMENT TO WORLDWIDE EQUIPMENT, INC.

Passed: All present voting "aye."

**2. Consideration of a Resolution Awarding the Bid for the  
Purchase of Two Trash Type Dump Trucks to Smokey Mountain Center, LLC**  
(AF: 20-2009).

Motion/Second: Shupe/Joh, to pass:

**Resolution No. 2009-165**, A RESOLUTION AWARDDING THE BID FOR PURCHASE  
OF TWO TRASH TYPE DUMP TRUCKS FOR USE BY THE PUBLIC WORKS  
DEPARTMENT TO SMOKY MOUNTAIN TRUCK CENTER, LLC

Passed: All present voting "aye."

**3. Consideration of a Resolution Authorizing the Mayor to Execute  
a Contract to Engage the Firm of Blackburn, Childers and Steagall, PLC to Audit  
the Records and Accounts of the City of Kingsport for the Fiscal Year Ending  
June 30, 2010** (AF: 21-2009).

Motion/Second: Munsey/Mallicote, to pass:

**Resolution No. 2009-166**, A RESOLUTION AUTHORIZING THE MAYOR TO  
EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO ENGAGE THE FIRM  
OF BLACKBURN, CHILDERS AND STEAGALL, PLC TO AUDIT THE RECORDS AND  
ACCOUNTS OF THE CITY OF KINGSFORT SCHOOL ACTIVITY FUNDS, FOOD  
SERVICE FUND, THE CITY'S GOVERNMENTAL FUNDS, PROPRIETARY FUNDS,  
ACCOUNT GROUPS AND THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY  
OF KINGSFORT FOR THE FISCAL YEAR ENDING JUNE 30, 2010

Passed: All present voting "aye."

**4. Consideration of a Resolution Awarding the Bid for the Purchase  
of a Utility Body/Integrated Dump Truck to Premier Equipment, LLC** (AF: 19-2009).

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, February 3, 2009**

Motion/Second: Shupe/Joh, to pass:

**Resolution No. 2009-167, A RESOLUTION AWARDING THE BID FOR PURCHASE OF A UTILITY BODY/INTEGRATED DUMP TRUCK FOR USE BY THE WATER MAINTENANCE DEPARTMENT TO PREMIER EQUIPMENT, LLC**

Passed: All present voting "aye."

~~5. Consideration of a Resolution Adopting Administrative Relief from Duty, Separation from Employment, Electronic Communications, and Employment Verifications Policies (AF: 27-2009).~~ This item was deferred for further discussion before consideration.

**6. Consideration of a Resolution Awarding the Bid for Various Items for the City of Kingsport School Food and Nutrition Program to Gordon Food Service and Authorizing the Mayor to Sign All Applicable Documents (AF: 31-2009).** Alderman Marsh expressed concern about the huge, unexplained increase in food costs involved in this contract from last's years and requested that further review be held to determine if costs have increased monumentally or if product quantities have substantially increased. Mr. Marsh motioned, and Shull seconded, to defer this action item for two weeks to obtain answers to Board members' concerns about this contract. All present voting "aye" to defer.

Motion/Second: Joh/Shupe, to pass:

~~A RESOLUTION AWARDING THE BID FOR THE SUPPLY OF VARIOUS ITEMS FOR USE BY THE KINGSFORT CITY SCHOOL SYSTEM SCHOOL NUTRITION PROGRAM TO GORDON FOOD SERVICE AND AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT, AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT, WITH GORDON FOOD SERVICE~~

Vote was deferred for two weeks.

**7. Consideration of a Resolution to Enter into Host Site Contract with TERC for City of Kingsport Schools and Authorizing the Mayor to Sign All Applicable Documents (AF: 38-2009).**

Motion/Second: Mallicote/Shupe, to pass:

**Resolution No. 2009-168, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A HOST SITE CONTRACT WITH TERC TO PROVIDE A BUILDING COMPUTATIONAL FLUENCY, K-5 WORKSHOP HOSTED BY KINGSFORT CITY SCHOOLS**

Passed: All present voting "aye."

**8. Consideration of a Resolution Authorizing the Mayor to Sign All Applicable Documents to Receive a Property Donation for Public Park Space (Edinburgh Property Off Rock Springs Road) (AF: 23-2009).** City Attorney

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, February 3, 2009**

Billingsley requested, and Alderman Marsh made a motion, seconded by Alderman Mallicote, to amend Section I of the resolution to include language authorizing the mayor to sign all applicable documents necessary to receive this property donation. Motion to amend passed with all present voting "aye."

Motion/Second: Joh/Marsh, to pass, as amended:

**Resolution No. 2009-169**, A RESOLUTION TO ACCEPT A DONATION OF REAL PROPERTY FROM THE KARST FAMILY AND TO AUTHORIZE THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE DONATION

Passed: All present voting "aye."

**9. Consideration of a Resolution Authorizing the Mayor to Execute a Contract and All Other Documents Necessary and Proper to Effectuate the Purpose of the Contract with Lose and Associates, Inc. in Order to Develop the Programming, Schematic Design and Design Development Phase for the Kingsport Aquatic Center (AF: 24-2009).** Assistant to the City Manager, Chris McCartt, provided details about moving forward with this phase of the aquatic center project.

Ensuing Board discussion included the need to retain the Legion Pool facility, the Board's intent to do so, the timeframe for keeping the pool opening (despite major repairs required to stem extensive daily water loss), the possibility of a water feature replacing the pool and the need to put the Board's intent in writing.

Board members discussed, at length, various viewpoints on the location of the aquatic center – viewpoints that described the citizen outcry over the site selected, the patrons who would be served at the MeadowView site, concern over spending any funds to proceed without further citizen input, the need to co-locate with the YMCA facility and decisions already reached about this project at this juncture.

Revisited was discussion about the YMCA having funds and plans to construct its own facility, including a pool, on the site behind K-Mart; studies done and considered by numerous groups/companies researching site selection and co-location benefits; types of primary aquatic functions and patrons attracted to the selected MeadowView site; and whether this site is vehemently opposed by the majority of City citizens. Further dialogue covered whether the project required inclusion of all the amenities proposed, such as an indoor and outdoor pool at the same location, along with the YMCA's exercise facility which, to some Board members, appears to compete with local, private enterprise.

Alderman Marsh posed the possibility of paying for this project over the next four years out of the cash from the City's predicted debt recovery amounts. City Manager



**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, February 3, 2009**

Campbell indicated that the scope of the project would have to be reduced considerably to ponder that avenue of funding.

Alderman Munsey suggested, after learning that the phase included in this action will take around five months, continuing forward with the plan as current set out and let voters decide in the May election if they disagree with the majority of the Board in this direction.

City Manager suggested, going forward by looking at a minimum acreage requirement during the schematic phase and then, during the design stage, calculate further costs. He stated that this project can proceed through programming and schematic and not pin the project to one specific site. The construction phase would follow once that site was confirmed.

Other than Aldermen Shull and Marsh, Board members agreed that Board intention had shown approving of co-locating with the YMCA in this aquatic endeavor. Board vote was taken with the understanding that this action would approve only the first segment of instruction to the City Manager to revisit site location as part of the entire funding.

Motion/Second: Munsey/Joh, to pass:

**Resolution No. 2009-170, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE CONTRACT WITH LOSE AND ASSOCIATES, INC. TO DEVELOP THE PROGRAMMING, SCHEMATIC DESIGN, AND DESIGN DEVELOPMENT PHASE FOR THE KINGSPORT AQUATIC CENTER**

Passed: All present voting "aye," except Shull voting "nay."

**10. Consideration of Issuance of Certificate of Compliance for Kelley's Package Store to Sell Retail Alcoholic Beverages (AF: 32-2009).** Mayor Phillips recused himself from both discussion and voting on this item because he owns the property on which this store will be relocating and asked Vice-Mayor Mallicote to preside over this issue. City Recorder Demming provided information indicating that Mr. Kelley is simply moving his current store from one location to another and requires BMA approval of this certificate.

Motion/Second: Joh/Shupe, to approve:

**ISSUANCE OF CERTIFICATE OF COMPLIANCE FOR KELLEY'S PACKAGE STORE TO SELL RETAIL ALCOHOLIC BEVERAGES**

Passed: All present voting "aye" except Phillips abstained from voting.

**11. Consideration of a Resolution to Authorize the Mayor to Sign All Documents Necessary to Apply for a Community Development Block Grant (CDBG) for the Beech Creek/Van Hill Water Line Extension in Hawkins County (AF: 39-2009).**

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, February 3, 2009**

Motion/Second: Marsh/Shupe, to pass:

**Resolution No. 2009-171, A RESOLUTION APPROVING PARTICIPATION BY THE CITY OF KINGSPORT IN THE BEECH CREEK / VAN HILL WATER LINE EXTENSION PROJECT IN HAWKINS COUNTY AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO ALLOW PARTICIPATION IN THE PROJECT**

Passed: All present voting "aye."

**12. Consideration of a Resolution Authorizing the Mayor to Sign a Grant for Construction of a 21<sup>st</sup> Century Steel Interstate Rail Service Along the Interstate 81/Interstate 40 Corridor from Memphis Through Knoxville to Harrisburg, Pennsylvania (AF: 30-2009).**

Motion/Second: Marsh/Shull, to pass:

**Resolution No. 2009-172, A RESOLUTION PETITIONING TENNESSEE'S CONGRESSIONAL LEADERS TO SPONSOR A GRANT FOR CONSTRUCTION OF A MODEL 21<sup>st</sup> CENTURY STEEL INTERSTATE RAIL SYSTEM ALONG THE INTERSTATE 81/INTERSTATE 40 CORRIDOR TO DEMONSTRATE THE POTENTIAL OF FAST FREIGHT RAIL AND PASSENGER SERVICE TO THE NATION**

Passed: All present voting "aye."

**E. APPOINTMENTS/REAPPOINTMENTS.**

Motion/Second: Mallicote/Joh, to approve the following appointments/ reappointments:

**1. Consideration of Reappointments to the Board of Zoning Appeals (AF: 35-2009).**

- Reappoint Mr. Robert (Bob) Winstead, Jr. and Mr. John Caldwell to each serve additional five-year terms on the Board of Zoning Appeals, effective March 1, 2009 and expiring February 28, 2014.

**2. Consideration of Reappointments and Appointments to the Senior Center Advisory Council (AF: 22-2009).**

- Reappoint Ms. Clara Dulaney, Mr. Wallace Ketron, Ms. June Lane, Mr. T.E. Parsons, Ms. Sandra Vaughn to each serve additional two-year terms, effective January 1, 2009 and expiring December 31, 2010
- Appoint Mr. Bob Winstead and Mr. Don Royston to each serve a two-year term on the Senior Center Advisory Council, effective March 1, 2009 and expiring February 28, 2011

Passed: All present voting "aye."

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, February 3, 2009**

**VII. CONSENT AGENDA.**

Consent agenda items are considered under one motion.

Motion/Second: Shupe/Joh, to adopt:

**1. Consideration of an Ordinance Appropriating Funds Received from a \$19,000 Donation from the Arts Council of Greater Kingsport for the Kingsport Public Art Program (AF: 8-2009).**

Adopt:

**Ordinance No. 5806, AN ORDINANCE TO AMEND THE PROJECT-SPECIAL REVENUE FUND BUDGET BY APPROPRIATING FUNDS RECEIVED FROM THE ARTS COUNCIL OF GREATER KINGSPORT TO THE SCULPTURE WALK EXHIBITION PROJECT (NC0710) AND TO THE COMMUNITY ART PROJECT(NC0906); AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE**  
Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Munsey, Shull, Shupe and Phillips voting "aye."

**2. Consideration of an Ordinance Appropriating Funds Received from the Regional Touring Grant from the Southern Arts Federation (AF: 9-2009).**

Adopt:

**Ordinance No. 5807, AN ORDINANCE TO AMEND THE CULTURE ARTS BUDGET IN THE GENERAL FUND BY TRANSFERRING FUNDS TO ESTABLISH THE ART NIGHTS CITY LIGHTS PROJECT (NC0905) FOR THE FISCAL YEAR ENDING JUNE 30, 2009; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE**  
Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Munsey, Shull, Shupe and Phillips voting "aye."

**3. Consideration of an Ordinance to Appropriate Funding for the Demolition of Portions of the Existing V.O. Dobbins Community Center (AF: 5-2009).**

Adopt:

**Ordinance No. 5808, AN ORDINANCE TO AMEND THE GENERAL PROJECT FUND BUDGETS BY TRANSFERRING FUNDS FROM THE HIGHER EDUCATION CENTER PROJECT (GP0726) TO THE V.O. DOBBINS RENOVATIONS PROJECT (GP0907); AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE**  
Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Munsey, Shull, Shupe and Phillips voting "aye."

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, February 3, 2009**

**4. Consideration of an Ordinance Authorizing the Designated  
Alderman to Dispose of City-Owned Real Property Located off Roller Street (AF:  
15-2009).**

Adopt:

**Ordinance No. 5809**, AN ORDINANCE AUTHORIZING THE MAYOR TO EXECUTE A QUITCLAIM DEED TO CERTAIN REAL PROPERTY LOCATED OFF ROLLER STREET, SITUATED IN KINGSFORT, SULLIVAN COUNTY, TENNESSEE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Munsey, Shull, Shupe and Phillips voting "aye."

**VIII. COMMUNICATIONS.**

**A. CITY MANAGER.** City Manager Campbell stated that the City's Public Works crews had been working diligently to keep roads clear of snow and ice. Mr. Campbell reminded Board members that they had been faced with, and approved, the significant purchase of salt earlier in the fiscal year. Not only would the City have been out of salt for its own use, but it would also not have been able to assist other small, local entities by supplementing their salt shortages.

**B. MAYOR AND BOARD MEMBERS.** Alderman Shupe reminded everyone about the 66<sup>th</sup> Annual Kingsport Chamber dinner coming up on Friday, February 6, 2009, at the MeadowView Conference Center.

Alderman Joh said she is grateful for the comments and thanks received over the last few years for the City's educational programs, along with many comments that Kingsport is in better shape than it has been in years.

Alderman Marsh concurred that, financially, the City is in much better shape than in the past. He mentioned his appreciation for the Public Work's crews' diligence during the recent inclement weather, as well as the City's police force ensuring everyone's safety. Mr. Marsh inquired about the amount of unencumbered funds tabbed for Riverfront Park property acquisitions and was told by the City Manager that \$600,000 in "new" money had been allocated for that project and previous allocations had already been used. Mr. Campbell added that KEDB (Kingsport Economic Development Board) has purchased some of the riverfront property which the City will purchase from them.

Mr. Marsh then asked whether the red light camera fine, which process he supports, is excessive. City Manager Campbell responded that Chief Osborne has been comparing Kingsport's fine with other red light camera users and the City appears to be very close to others' penalties.

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, February 3, 2009**

Mayor Phillips believes the fine is not excessive but, when adding court costs, the total amount of \$100 seems high. Alderman Munsey concurred, especially in light of current economic times. Mayor Phillips asked that Board members be provided a compilation of comparisons by the second work session in March.

Alderman Shull acknowledged that, although many good things have happened in Kingsport, citizens still believe there is a recession and Alderman Shull would like to Board to consider alternatives to reduce City debt as it enters the FY2010 budget time.

Vice-Mayor Mallicote agreed that things are going very well in Kingsport, especially in contrast to other places. He related that he would miss the next few Board meeting due to a mission trip scheduled in Southern Sudan, a significant refugee area.

Mayor Phillips introduced Mr. Tom Parham who is running for one of the upcoming, open alderman positions, and added that Aldermen Shull and Joh, along with Vice-Mayor Mallicote will also be running for vacant Board positions.

Mayor Phillips discussed the need to move the second Board work session in March from Monday night, March 23, 2009, at 4:30 p.m. to Tuesday, March 24<sup>th</sup>, at 4:00 p.m. to allow those Board members who wish to, to attend the Tennessee Municipal League (TML) meeting in Nashville on March 23 and 24<sup>th</sup>. The work session would then be followed by the regular Board meeting at 7:00 p.m. These meeting dates had already been moved out a week to accommodate Board member travel to Washington, D.C. to attend the National League of Cities convention the week of March 16<sup>th</sup>.

**C. VISITORS.** Mr. Tom Parham, 90 Crown Circle, Kingsport, provided his perspective on the issues surrounding the aquatic center. He pointed out that many citizens don't truly understand it the concept and he challenged Board members to broaden the concept, listen to public feedback and he believes the Board will make the right decision.

Ms. Barbara Brown returned to the podium and thanked the Board for giving further consideration to the aquatic center location and she hopes they will come to the conclusion that MeadowView is not the proper site for this facility.

**IX. ADJOURN.** Seeing no other business for consideration at this meeting, Mayor Phillips adjourned the meeting at 9:40 p.m.

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ELIZABETH A. GILBERT  
Deputy City Recorder

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DENNIS R. PHILLIPS  
Mayor



## AGENDA ACTION FORM

### Consideration of an Ordinance to Appropriate Funds From the School Reserve Accounts in the Eastman Annexation Fund

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Agenda Form No.: AF-42-2009  
 Work Session: February 19, 2009  
 First Reading: February 20, 2009

Final Adoption: March 3, 2009  
 Staff Work: David Frye  
 Presentation: David Frye

### **BMA Strategic Plan 2005-2006**

(CV=Core Value, KSF=Key Success Factor, KSO = Key Strategic Objective)

#### **KSF #5: Stewardship of Public Funds**

#### **KSF # 6: Strong Public Education System**

#### **Recommendation:**

Approve the Ordinance.

#### **Executive Summary:**

On February 5, 2009, the Board of Education approved Budget Amendment Number Four to the FY 2008-2009 budget. Items nine is associated with this ordinance.

As part of the plan of services, in 2004 Eastman requested that the schools receive 25% of the Eastman Annexation funds each year for special programs. They have received the 25% for five years.

The amount of the 25% that was not used by the schools was set aside in a school reserve account in the Eastman Annexation Fund. The total in the reserve accounts for the schools is \$142,729. This ordinance will appropriate \$82,200 of those funds.

Please see the attached Kingsport City Schools – Budget Amendment Number Four for more detail.

#### **Attachments:**

1. Ordinance
2. BOE Budget Amendment Number Four

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

ORDINANCE NO. \*\*\*\*

# PRE-FILED CITY RECORDER

AN ORDINANCE TO AMEND THE EASTMAN  
ANNEXATION TAX FUND BUDGET; AND, TO FIX THE  
EFFECTIVE DATE OF THIS ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSPORT, as follows:

SECTION I. That the Eastman Annexation Tax Fund budget be amended to ratify the Kingsport Board of Education approval of Budget Amendment Number Four to increase the estimated revenue for Fund Balance Appropriations by \$82,200 and to increase the appropriation Transfers to the School Special Projects Fund \$82,200. This will provide FY 2008-2009 funding for Kingsport City School's position of Senior Technical Advisor.

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/&lt;Decr&gt;</u>	<u>New Budget</u>
<b>Fund 133: Eastman Annexation Tax Fund</b>			
<b><u>Reserves:</u></b>	\$	\$	\$
133-0000-247-7101 Schools 25%-Unexp 2005	63,356	(63,356)	0
133-0000-247-7102 Schools 25%-Unexp 2006	67,479	(18,844)	48,635
133-0000-253-0000 Unreserved Fund Balance	9,248	82,200	91,448
<b>Totals:</b>	<b>140,083</b>	<b>0</b>	<b>140,083</b>

<b><u>Revenues:</u></b>	\$	\$	\$
133-0000-392-0100 Fund Balance Appr.	0	82,200	82,200
<b>Totals:</b>	<b>0</b>	<b>82,200</b>	<b>82,200</b>

<u>Account Number/Description:</u>	<u>Budget</u>	<u>Incr/&lt;Decr&gt;</u>	<u>New Budget</u>
<b><u>Expenditures:</u></b>	\$	\$	\$
133-4804-481-7037 Transfers to School Project Fund	355,600	82,200	437,800
<b>Totals:</b>	<b>355,600</b>	<b>82,200</b>	<b>437,800</b>

SECTION II. That this Ordinance shall take effect from and after its date of passage, as the law direct, the welfare of the City of Kingsport, Tennessee requiring it.

\_\_\_\_\_  
DENNIS PHILLIPS, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
JAMES H. DEMMING, City Recorder

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, City Attorney

February 5, 2009

**KINGSPORT CITY SCHOOLS  
FISCAL YEAR 2008-2009  
BUDGET AMENDMENT NUMBER FOUR**

**GENERAL PURPOSE SCHOOL FUND**

**ITEM ONE: HAWKINS COUNTY BOND FUNDS**

Hawkins County is currently in their third phase of school renovations/construction. The total amount of bonds issued in this phase is \$10,740,758. Kingsport City Schools will share in the proceeds of this bond issue according to the percentage of average daily attendance (ADA). Kingsport City Schools ADA percentage in Hawkins County for FY 2008 was 5.05%. This will result in Kingsport City Schools receiving \$542,451. These funds will be received as Hawkins County draws funds to pay the current expenditures of their projects. KCS began receiving these funds in August 2008 and have received to date \$345,213. It is not known if all of these funds will be received this fiscal year or if this will continue into next fiscal year. It is recommended that the estimate for Bond Proceeds be increased by \$542,451 and that the appropriation for fund transfers be increased by \$542,451. It is further recommended that the total amount of funds received in fiscal year 2009 be transferred to a multi-year project for Unallocated 2008 Hawkins County Bond Funds to be appropriated to specific projects in the future.

**ITEM TWO: EXTENDED CONTRACT FUNDS**

The current estimated revenue and appropriation for Extended Contract funds is \$310,500. We have been notified by the State that these funds will be reduced by 13% due to the shortfall in State revenue. The amount of the reduction for Kingsport City Schools is \$40,600. It is recommended that the estimated revenue of Extended Contract funds be decreased by \$40,600 and that the appropriations for Extended Contract wages and the related benefits be decreased by the total of \$40,600.

**ITEM THREE: E-RATE FUNDS**

During the first half of FY 2009 there has been \$41,901 received in E-Rate funds. These funds are to be spent for technology in K-12 classrooms. It is recommended that the estimate for Other Local Revenue be increased by \$49,901 and that the appropriation for Fund Transfers be increased by \$49,901. It is further recommended that these funds be transferred to a multi-year capital project for FY 2009 E-Rate funds.

**ITEM FOUR: SPECIAL EDUCATION HIGH COST FUNDS**

Kingsport City Schools has received \$29,046 for FY 2008 high cost special education students. This is reimbursement for General Purpose School Funds expenditures for high cost special education students. These funds must be spent for special education instruction or support services. It is recommended that the estimated revenue for Education of the Handicapped funds be increased by \$29,046.



#### **ITEM FIVE: SPECIAL EDUCATION LEGAL FEES**

The original budget included \$10,000 for Special Education Legal Fees. To date we have spent \$37,262. It is recommended that the appropriation Special Education Legal Fees be increased by \$29,046. These funds will come from the funds received for high cost special education students. This will leave a balance in the Special Education Legal Fee account of \$1,784.

#### **ITME SIX: CONNECTN FUNDS**

ConnecTN funds are funds that are received from the State Department of Education to help fund internet connectivity. This fiscal year we will receive \$37,447 of ConnecTN funds. These funds were not included in our original revenue estimates. An appropriation of \$113,000 was included in our original budget for internet connectivity. The ConnecTN funds must be applied toward our internet connectivity expenditures. Since the budget for this expense is already established, the receipt of these funds essentially frees up other revenues to be spent as we determine. It is recommended that the estimated revenue for Other State Education Funds be increased by \$37,447.

#### **ITEM SEVEN: CAPITAL IMPROVEMENT PROJECTS (CIP)**

There is currently a balance in the CIP account of approximately \$45,000. It was planned to re-surface the Dobyns-Bennett track this year, but due to other projects rising to the top of the list there is not enough funds remaining to complete this project. It is estimated that the re-surfacing projects will cost in the \$50,000 to \$60,000 range. It is recommended that the funds (\$37,447) made available be the receipt of the ConnecTN funds, be appropriated to the CIP account. This will provide funds for the re-surfacing project and funds to complete other projects as determined by the CIP committee.

#### **ITEM EIGHT: ADULT EDUCATION EVENING PROGRAM**

The Adult Education Evening program was discontinued as July 1, 2008. The FY 2009 budget did not include any funds for the operation of this program. In the spring of 2008 a Clinical Medical Assistant I course was provided. Since this is a 3-part course it was the Board's and the staff's desire that the remaining 2 sections of the course be offered. The CMA II course was offered this fall and the CMA III course is currently being offered. Since we have collected revenue and have incurred expenditures it is necessary to establish a budget for this program. It is recommended that the estimated revenue for Adult Education Tuition be increased by \$6,000 and that the appropriations for Adult Education salaries and benefits be increased by \$5,500 and that the appropriation for instructional supplies be increased by \$500.

#### **ITEM NINE: PRIOR YEAR UNEXPENDED EASTMAN POS FUNDS**

In some previous years Kingsport City Schools has not expended the entire allocation of Eastman Plan of Services funds. When this has happened the City of Kingsport has established a reserve for those funds to be expended in future years. There are currently reserves established for FY 2005 (\$63,356), FY 2006 (\$67,479), and FY 2007 (\$11,894). Earlier this year the Board authorized the

creation the new position of Senior Technical Advisor. The Board was advised at that time that his position could possibly be funded with unexpended prior years Eastman POS funds. As a housekeeping matter it is now time to make an appropriation from the reserves that have been established. The total cost (salary and benefits) of the position for FY 2009 is \$82,200. It is recommended that the estimated revenue for the Eastman Annexation Tax Fund Balance Appropriation be increased by \$82,200 and the appropriation for Transfers to the School Special Projects Fund be increased by \$82,200. This will leave a total reserve balance of \$60,529. It is anticipated that the total current year appropriation will not be spent, due to funds remaining that were allocated for differentiated teacher pay.

#### **ITEM TEN: SCHOOL CAPITAL PROJECTS**

There are 3 school capital projects that have been completed that have funds remaining that need to be closed out and the excess funds either transferred back to the original source or to another capital project. The 3 projects and their budget, expenditures, and remaining balances are:

	Budget	Expenditures	Balance
Dobyns-Bennett Renovations	\$25,715,190	\$25,714,173	\$ 1,017
J. Fred Johnson Structural Repairs	312,558	311,232	1,326
J. Fred Johnson Artificial Turf	<u>1,354,595</u>	<u>1,252,211</u>	<u>102,384</u>
Totals	<u>\$27,382,343</u>	<u>\$27,277,616</u>	<u>\$104,727</u>

It is recommended that the balance of \$104,727 be transferred to the John Adams Elementary School project. When this project was approved and funded it was stated at that time that the total project costs, including one-time start-up costs was under funded in the amount of \$565,000. This transfer will help offset a portion of this amount.

#### **EFFECTS ON INDIVIDUAL ACCOUNT NUMBERS**

##### **GENERAL PURPOSE SCHOOL FUND**

##### **REVENUES:**

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
141-0000-337-7143	Federal Revenue – Ed. of the Handicapped	\$ 29,046
141-0000-338-6590	State Revenue – Other State Education	37,447
141-0000-338-6612	State Revenue – Extended Contract	(40,600)
141-0000-349-3512	Charges for Ser. – Adult Education Tuition	6,000
141-0000-369-4990	Other Revenue – Other Local Revenue	41,901
141-0000-399-9100	Other Sources – Bond Proceeds	<u>542,451</u>
Total Change in Estimated Revenue		<u>\$ 616,245</u>

**EXPENDITURES:**

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
141-7150-711-0127	Reg. Inst. – Extended Contract Wages	\$ (35,600)
141-7150-711-0201	Reg. Inst. – Social Security	(2,200)
141-7150-711-0204	Reg. Inst. – State Retirement	(2,300)
141-7150-711-0212	Reg. Inst – Medicare	(500)
141-7150-751-0116	Adult Education – Teacher Salaries	5,050
141-7150-751-0201	Adult Education – Social Security	300
141-7150-751-0210	Adult Education – Unemployment	50
141-7150-751-0212	Adult Education – Medicare	100
141-7150-751-0429	Adult Education – Instructional Supplies	500
141-7250-782-0399	Sp. Ed. Support – Other Contracted Ser.	29,046
141-7650-871-0707	Capital Outlay – Other Capital Outlay	37,447
141-7950-881-0590	Other Uses – Funds Transfers	<u>584,352</u>
Total Change in Budgeted Expenditures		<u>\$ 616,245</u>

**EASTMAN ANNEXATION TAX FUND****REVENUES:**

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
133-0000-392-0100	Fund Balance Appropriation	<u>\$ 82,200</u>
Total Change in Estimated Revenue		<u>\$ 82,200</u>

**EXPENDITURES:**

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
133-4804-481-7037	Fund Transfers – School Special Projects	<u>\$ 82,200</u>
Total Change in Budgeted Expenditures		<u>\$ 82,200</u>

## **GENERAL PROJECT FUND – SPECIAL REVENUE**

### **REVENUES:**

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
111-0000-391-2100 NC0907	Fund Transfers – From School Fund	<u>\$ 41,901</u>
Total Change in Estimated Revenue		<u>\$ 41,901</u>

### **EXPENDITURES:**

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
111-0000-601-9004 NC0907	Capital Outlay – Equipment	<u>\$ 41,901</u>
Total Change in Budgeted Expenditures		<u>\$ 41,901</u>

## **GENERAL PROJECT FUND**

### **REVENUES:**

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
311-0000-391-2100 GP0923	Fund Transfers – From School Fund	<u>\$542,451</u>
Total Change in Estimated Revenue		<u>\$542,451</u>

### **EXPENDITURES:**

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
311-0000-601-2022 GP0923	Contracted Ser. – Construction Contracts	<u>\$542,451</u>
Total Change in Budgeted Expenditures		<u>\$542,451</u>



## AGENDA ACTION FORM

### Consideration of a Ordinance Establishing an Improvement District to Provide Street Illumination of Linville Street between Lamont Avenue and Crescent Drive.

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Action Form No.: AF-33-2009  
 Work Session: February 16, 2009  
 First Reading: February 17, 2009

Final Adoption: March 3, 2009  
 Staff Work By: M. Thompson  
 Presentation By: R. McReynolds

#### **BMA Strategic Plan 2005-2006**

(CV=Core Value, KSF=Key Success Factor, KSO=Key Strategic Objective)

CV #:

KSF # 8 – Safe Community

KSO #

**Recommendation:** Approve the Ordinance.

#### **Executive Summary:**

At the Board of Mayor and Alderman's December 16, 2008 meeting a petition requesting the "Establishment of an Improvement District for Street Illumination of Linville Street between Lamont Avenue and Crescent Drive" was granted (AF-381-2008). This Action Item is the next step which is the actual Establishment of the Improvement District.

Traffic Division staff have been working with the Fairacres Neighborhood Association over the past four years to determine a feasible lighting solution for the streets within Fairacres. The standard City provided street lighting includes overhead wiring and wooden poles. This is problematic in this neighborhood from an aesthetic standpoint for several reasons. First, the wooden poles are not decorative nor do they reflect the historical nature of the community. Second, the overhead wiring would require significant tree cutting / trimming to allow for the installation, as well as perpetual maintenance. After talks stalled on moving forward with a plan for the entire subdivision, the desire to move forward with a section of Linville Street arose. The residents representing 69.8% of the foot frontage of the area in question signed the BMA granted petition. The total estimated upfront cost is estimated by Appalachian Power to be \$37,396.69 as of 12-12-2007.

#### **Attachments:**

1. Ordinance
2. Copy of City Code
3. Map of street light locations

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

# PRE-FILED CITY RECORDER

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE TO AUTHORIZE CREATION AND ESTABLISHMENT OF AN IMPROVEMENT DISTRICT TO PROVIDE STREET ILLUMINATION IN A CERTAIN PART OF THE RESIDENTIAL AREA OF FAIRACRES, MORE PARTICULARLY, THE PORTION OF LINVILLE STREET BETWEEN LAMONT STREET AND CRESCENT DRIVE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

WHEREAS, the city has been working with the Fairacres Neighborhood Association to determine a feasible lighting solution for the streets within the residential area of Fairacres; and

WHEREAS, pursuant to Article IA, Section 19 of the Charter of the City of Kingsport, (Private Acts 1991, Chapter 119, Section 1), the residents representing sixty-nine and eight tenths percent (69.8%) of the frontage of land abutting the portion of Linville Street beginning on Lamont Street and ending at Crescent Drive in the residential area of Fairacres filed a petition on December 16, 2008 with the board of mayor and aldermen requesting the establishment of an improvement district and the lighting thereof of the above described street area; and

WHEREAS, pursuant to Article IA, Section 19, Subsection (2) of the Charter of the City of Kingsport, the board of mayor and aldermen granted the petition on December 16, 2008 by Resolution Number 2009-142 thereby granting full power and authority to cause the designated street area to be improved by adequate lighting thereof; and

WHEREAS, pursuant to Article IA, Section 19, Subsection (3) of the Charter of the City of Kingsport, before any work shall be done on any improvement authorized by Article IA, Section 19, it shall be the duty of the board of mayor and aldermen to adopt an ordinance that said improvement shall be made, specifying that the work is being done by virtue of the petition filed, naming the location and terminal points of the district to be improved by adequate lighting, and giving reference to the petition by the date of its filing.

Now therefore,

BE IT ORDAINED BY THE CITY OF KINGSPORT, as follows:

SECTION I. That in accordance with Article 1A, Section 19 of the Charter of the City of Kingsport, (Private Acts 1991, Chapter 119, Section 1), there is hereby created and established an improvement district for the purpose of providing street illumination in the residential area of Fairacres, more particularly, the portion of Linville Street between Lamont Street and Crescent Drive, and said improvement district shall be known as the Linville Street Street Lighting Improvement District No. 1.

SECTION II. That provision of the street illumination work is done by virtue of the petition filed on December 16, 2008 with the board of mayor and aldermen requesting the establishment of an improvement district and the lighting thereof in the street area described in Section I of this ordinance and the granting of the petition by the board of mayor and aldermen by Resolution Number 2009-142 on December 16, 2008.

SECTION III. That the cost of any improvement contemplated herein is \$37,396.69 plus \$1850.00 for possible tree replacements, a six percent (6%) contingency fee, and a ten percent

(10%) administrative fee, which will be divided among the property owners as determined by the linear-foot street frontage (per front foot) of their individual lot(s) or parcels of land.

SECTION IV. That cost to the property owners abutting the street or a part thereof in the Improvement District will not exceed \$15.00 per front foot of their lot(s) or parcels of land.

SECTION V. That a notice of the passage of this ordinance shall be given by publication one (1) time in a daily newspaper published within the City of Kingsport admonishing all interested property owners to appear on a day to be named therein, not earlier than ten (10) days after the date of publication, to protest against the confirmation of such ordinance if they so desire. Said notice need not set forth the entire ordinance but shall contain a description of the terminal points of the proposed district, shall set forth in general terms the proposed improvement, the total estimated cost thereof, and the maximum rate per front foot to be assessed against the abutting property. On the day prescribed in said notice, the board of mayor and aldermen shall meet to hear remonstrances or protests against the construction of said improvement, and at said meeting, or at a time and place to which the same may be adjourned, all persons whose property will be affected by said improvement may appear in person, by attorney, or by petition and protest against the construction of said improvement, and after hearing such protests, if any, the board of mayor and aldermen may confirm, modify or rescind such ordinance. If protest be filed and overruled, no work shall be done or contract let for ten (10) days from the date of such overruling, within which time it shall be the duty of all persons whose protests have been overruled and who claim that said improvement, as ordered, is for any reason illegal, to cause to be reviewed the right of the board of mayor and aldermen to make said improvement in the form or shape ordered by filing the proper proceeding in a court of competent jurisdiction. All persons failing to protest in the manner above set forth, or failing to file proceedings for review in a court of competent jurisdiction within the time herein prescribed, shall be conclusively held to have consented to the improvement and to pay the proportionate part of the cost thereof to be assessed against the lands abutting said improvement, and shall be conclusively held to waive any objections to the power of the municipality to make said improvement as ordered.

SECTION VI. That from and after the date the confirmation of this ordinance becomes final, the City of Kingsport shall have the power to contract for the construction of such improvement or any part thereof and, or, shall have power to construct the same or any part thereof with its own forces, but an accurate account of the cost thereof shall be kept. Every item of cost, together with an unitemized charge of ten percent (10%) of all sums otherwise expended, which shall cover the cost to the city of printing, advertising, clerical help, collection of funds, legal advice, stenographic fees, abstracts, plats and accounting, shall be assessable against the abutting property in the manner herein provided, subject however, to the maximum rate per front foot set forth in this ordinance, or order of confirmation or modification.

SECTION VII. That after the completion and acceptance of said improvement, the board of mayor and aldermen shall, subject to the limitation of the maximum rate per front foot, assess the entire cost of said improvement upon and against the several lots of land abutting the street according to their respective frontage; and all such assessments shall be and constitute a lien on the respective lots upon which they are levied, superior to all other liens except those of the state and county for taxes or the municipality for opening, widening, paving and otherwise improving the street itself. The enforcement by the state, or county, or city, of its lien for taxes or front foot assessments on any lot upon which has been levied an assessment for any improvement authorized by this ordinance, shall not operate to discharge, or in any manner, affect the city's lien for said assessment; but the purchaser at a tax sale, or sale to enforce the lien of a front foot assessment for street purposes, shall take the same subject to the lien of an assessment and if bought by the state, county, or city, any conveyance of the title thus acquired, or any redemption, shall be subject to the lien of such assessment.

SECTION VIII. That when the amount to be assessed against each lot of land for any improvement shall have been ascertained, the city recorder shall cause a well-bound book to be prepared which shall show the names of the owners of the property assessed, if known, and opposite each name, the description of such lot or parcel of land assessed belonging to such owner and the amount assessed against each, and shall contain an appropriate column in which payments may be credited and the lien of the assessment marked "Satisfied", and if the name of the owner to be assessed be unknown, said book shall contain under the head of "Owner Unknown", a list of property to be assessed, the owners of which are unknown. After the completion of the entries in said book, the city recorder shall thereupon give notice by one (1) publication in a daily newspaper published in the city, that said book is open to inspection at his office. In addition, said notice shall contain the general character of the improvement and the location thereof, and designate a time and place, not less than ten (10) days from the date of publication, at which the board of mayor and aldermen will meet to hear and determine any objection or defense presented by any owner or [of] property affected by said assessment. All persons whose property is to be assessed may, at any time, on or before the date named in said notice, and before the meeting of the board of mayor and aldermen, file in writing in the office of the city recorder their objection or defense to the proposed assessment of the amount thereof, and at the meeting on the date named, or any date to which said meeting may be adjourned, said board of mayor and aldermen shall hear and determine said objections or defenses to the assessments and after so doing, shall confirm, modify or set aside the assessment. If no objection or defense to the assessment or the amount thereof is filed within the time prescribed herein, or if the property owner fails to appear in person or by attorney and present the same with his reasons therefore to the board of mayor and aldermen at the hearing, the assessment shall be confirmed and made final.

SECTION IX. That all assessments levied by virtue of this ordinance, shall become due and payable from and after the order of the board of mayor and aldermen fixing the same. Upon entry of the order fixing the same, the assessment roll shall be transmitted to the city treasurer who shall proceed with the collection of the amounts assessed against each lot. Said assessments, shall become delinquent sixty (60) days after the entry of the order by the board of mayor and aldermen fixing them and shall thereafter bear six (6%) percent interest and a penalty of ten (10%) percent. The board of mayor and aldermen authorizes that an assessment may be payable in equal monthly installments for sixty (60) months, with principal and interest, until fully and finally paid. The first installment shall become due sixty (60) days after the date of the assessment and is delinquent thereafter, and subsequent installments shall become delinquent after the due date of such installment, if not fully paid. Once an installment is delinquent it is a default for purposes of accelerating the payments as hereinafter provided. Such assessment payable in equal installments shall bear interest at a rate of six (6%) percent per annum from the time of the assessment aforesaid until the assessment shall be paid. Such assessments payable in equal installments shall also, as hereinbefore provided, be liens upon the land or lots so assessed. The owner of any lot or parcel of land abutting on said improvement district desiring to exercise the privilege of payment by installments shall, before the expiration of the sixty (60) days aforesaid, enter into an agreement in writing with the city that, in consideration of such privilege, he will make no objection to any illegality or irregularity with regard to the assessment against his property, and will pay the same as required by law, with the specified interest. Such agreement shall be filed in the office of the city recorder. Provided, however, that the whole amount of the assessment made upon or against any lot or parcel of land abutting on said improvement district, with the interest then due, may be paid by the lot owner at his option at the time such levy is made, or at any installment period thereafter. If the lot owner makes default in the payment of any installment and interest thereon, all of the installments, with interest shall become delinquent and immediately due and payable. After the delinquent date the lien on the respective lots for such assessments shall be foreclosed and the collection of assessments enforced by the city, and the city may join in any suit all lots and delinquent owners in



the improvement district, but shall not be required to do so. The property thus sold may be redeemed at any time during a period of two (2) years and after sale on payment of the assessment, interest, penalties and all court costs and other costs accruing on account of such sale. At such sale no bid less than the amount of the interest, penalties and costs, shall be received and in the absence of such bid, the city treasurer, on behalf of the city, shall bid in the same, and if struck off to such city, and after the redemption period, the property shall be held by the city in fee simple absolute subject to the lien of the taxes and assessments set herein. Any court having jurisdiction of any suit brought for the enforcement of the lien of such assessments shall, in addition have the power to order a sale, have power and authority to appoint a receiver to collect the rents and profits of such lots and apply the proceeds thereof to the payment of costs, assessments, interest and penalties. Any sale made under the provisions of this ordinance, shall be governed as to notice, terms, costs and in all other respects by the rules of chancery practiced now, or hereafter enforced, governing sales of land by the chancery courts of this state.

SECTION X. That if any assessment levied for any improvement authorized by this ordinance be declared invalid by reason of any mistake or irregularity in the proceeding, the board of mayor and aldermen shall have the power at any time before the expiration of three (3) years from and after the determination of such invalidity, to reassess such property and may, when necessary, reassess all property abutting upon the street improved, the assessment on which had not been paid.

SECTION XI. That if a court of competent jurisdiction determines there is a conflict between the terms of this ordinance and Article 1A, Section 19 of the Charter of the City of Kingsport, Article 1A, Section 19 shall prevail.

SECTION XII. That this ordinance shall take effect from and after the date of its passage, as the law directs, the public welfare of the City of Kingsport, Tennessee requiring it.

\_\_\_\_\_  
DENNIS R. PHILLIPS, Mayor

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING  
City Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY  
City Attorney

PASSED ON 1ST READING \_\_\_\_\_  
PASSED ON 2ND READING \_\_\_\_\_

## **ARTICLE IA. LOCAL IMPROVEMENTS**

### **Sec. 19. Supplementary method and procedure for the creation of improvement districts to provide street illumination in residential areas.**

The board of mayor and aldermen, upon petition signed by the owner or owners of fifty-one percent (51%) of the frontage of the lots or parcels of land abutting on such portions of any streets within the corporate limits as set out in the petition, shall have power to provide by ordinance for the improvement of such street by erecting and equipping lamp posts, light towers or other instrumentalities to light such street or the part thereof in front of the property abutting such street or part thereof; and it shall have power to provide for making special levies or assessments or exacting local contributions upon, on and from, the land abutting on such street to be improved in the manner hereinafter set forth, so as to provide funds to pay for such improvements.

(1) In order to bring the contemplated improvement of any street within the provisions of this act, the owner, or owners of not less than fifty-one percent (51%) of the frontage of the lots or parcels of land abutting on such street shall first file with the board of mayor and aldermen a petition requesting the establishment of an improvement district and the lighting thereof. Such petition shall set forth the point on such street where such system of lighting shall begin and terminate; the character of posts, towers, standards or instrumentalities desired, and shall aver the willingness of each of the signers of said petition to pay for installing such lighting system, to be assessed according to the frontage of the property owner by each petitioner. Each signer shall, opposite his name, designate the location of his lot by street number or otherwise, and the frontage thereof abutting on said street. A substantial compliance with this section shall be sufficient to authorize the board of mayor and aldermen to proceed in the premises, and no formal or immaterial defect shall invalidate any petition.

(2) Upon the filing of such petition, the board of mayor and aldermen may in its discretion, either grant same or reject the same. If such petition is granted, the board of mayor and aldermen shall have full power and authority to cause such street to be improved by adequate lighting thereof.

(3) Before any work shall be done on any improvement herein authorized, it shall be the duty of the board of mayor and aldermen to adopt an ordinance that said improvement shall be made, which shall specify that the work is being done by virtue of the petition filed, shall name the location and terminal points of the district to be improved by adequate lighting, and shall give a reference to said petition by the date of its filing. The estimated total cost of such improvement, together with the maximum rate per front foot shall be inserted in said ordinance, and after the adoption and confirmation of such ordinance, the city shall have no right to collect more per front foot than the maximum rate per front foot set forth in such ordinance, but shall pay any excess out of its general funds. Provided, however, that no lot shall be assessed in an amount in excess of the benefits to such lot, the matter of benefits to be passed upon and finally determined by the board of mayor and aldermen at or before the time for levying said assessments; and should any assessment exceed the amount of benefits to accrue to such lot by reason of said improvements, then such excess shall be borne by the city. A notice of the passage of such ordinance shall be given by publication one (1) time in a daily newspaper published within the City of Kingsport admonishing all interested property owners to appear on a day to be named therein, not earlier than ten (10) days after the date of publication, to protest against the confirmation of such ordinance if they so desire. Said notice need not set forth the entire ordinance but shall contain a description of the terminal points of the proposed district, shall set forth in general terms the proposed improvement, the total estimated cost thereof, and the maximum rate per front foot to be assessed against the abutting property. On the day prescribed in said notice, the board of mayor and aldermen shall meet to hear remonstrances or protests against the construction of said improvement, and at said meeting, or at a time and place to which the same may be adjourned, all persons whose property will be affected by said improvement may appear in person, by attorney, or by petition and protest against the construction of said improvement, and after hearing such protests, if any, the board of mayor and aldermen may confirm, modify or rescind such ordinance. If protest be filed and overruled, no work shall be done or contract let for

ten (10) days from the date of such overruling, within which time it shall be the duty of all persons whose protests have been overruled and who claim that said improvement, as ordered, is for any reason illegal, to cause to be reviewed the right of the board of mayor and aldermen to make said improvement in the form or shape ordered by filing the proper proceeding in a court of competent jurisdiction. All persons failing to protest in the manner above set forth, or failing to file proceedings for review in a court of competent jurisdiction within the time herein prescribed, shall be conclusively held to have consented to the improvement and to pay the proportionate part of the cost thereof to be assessed against the lands abutting said improvement, and shall be conclusively held to waive any objections to the power of the municipality to make said improvement as ordered.

(4) From and after the date the confirmation of any such ordinance becomes final, the City of Kingsport shall have the power to contract for the construction of such improvement or any part thereof and, or, shall have power to construct the same or any part thereof with its own forces, but an accurate account of the cost thereof shall be kept. Every item of cost, together with an itemized charge of ten percent (10%) of all sums otherwise expended, which shall cover the cost to the city of printing, advertising, clerical help, collection of funds, legal advice, stenographic fees, abstracts, plats and accounting, shall be assessable against the abutting property in the manner herein provided, subject however, to the maximum rate per front foot set forth in such ordinance, or order of confirmation or modification.

(5) After the completion and acceptance of said improvement, the board of mayor and aldermen shall, subject to the limitation of the maximum rate per front foot, assess the entire cost of said improvement upon and against the several lots of land abutting the street according to their respective frontage; and all such assessments shall be and constitute a lien on the respective lots upon which they are levied, superior to all other liens except those of the state and county for taxes or the municipality for opening, widening, paving and otherwise improving the street itself. The enforcement by the state, or county, or city, of its lien for taxes or front foot assessments on any lot upon which has been levied an assessment for any improvement authorized by this act, shall not operate to discharge, or in any manner, affect the city's lien for said assessment; but the purchaser at a tax sale, or sale to enforce the lien of a front foot assessment for street purposes, shall take the same subject to the lien of an assessment and if bought by the state, county, or city, any conveyance of the title thus acquired, or any redemption, shall be subject to the lien of such assessment.

(6) When the amount to be assessed against each lot of land for any improvement shall have been ascertained, the city recorder shall cause a well-bound book to be prepared which shall show the names of the owners of the property assessed, if known, and opposite each name, the description of such lot or parcel of land assessed belonging to such owner and the amount assessed against each, and shall contain an appropriate column in which payments may be credited and the lien of the assessment marked "Satisfied", and if the name of the owner to be assessed be unknown, said book shall contain under the head of "Owner Unknown", a list of property to be assessed, the owners of which are unknown. After the completion of the entries in said book, the city recorder shall thereupon give notice by one (1) publication in a daily newspaper published in the city, that said book is open to inspection at his office.

In addition, said notice shall contain the general character of the improvement and the location thereof, and designate a time and place, not less than ten (10) days from the date of publication, at which the board of mayor and aldermen will meet to hear and determine any objection or defense presented by any owner or [of] property affected by said assessment. All persons whose property is to be assessed may, at any time, on or before the date named in said notice, and before the meeting of the board of mayor and aldermen, file in writing in the office of the city recorder their objection or defense to the proposed assessment of the amount thereof, and at the meeting on the date named, or any date to which said meeting may be adjourned, said board of mayor and aldermen shall hear and determine said objections or defenses to the assessments and after so doing, shall confirm, modify or set aside the assessment. If no objection or defense to the assessment or the amount thereof is filed within the time prescribed herein, or if the property owner fails to appear in person or by attorney and present the same with his reasons therefor to the board of mayor and aldermen at the hearing, the assessment shall be confirmed and made final.

(7) All assessments levied by virtue of this act, shall become due and payable from and after the order of the board of mayor and aldermen fixing the same. Upon entry of the order fixing the same, the assessment roll shall be transmitted to the city treasurer who shall proceed with the collection of the amounts assessed against each lot. Said assessments, shall become delinquent sixty (60) days after the entry of the order by the board of mayor and aldermen fixing them and shall thereafter bear six (6%) percent interest and a penalty of ten (10%) percent.

The board of mayor and aldermen may provide that any assessment levied by virtue of this act, shall be payable in equal installments; and when the number of installments shall be determined, the first installment shall become delinquent in sixty (60) days after the date of such assessment, and the subsequent installments shall become delinquent periodically thereafter until all are paid in full, principal and interest. The board and [of] mayor and aldermen may further provide that any such assessment payable in equal installments shall bear interest at a rate not exceeding the maximum rate provided by law from the time of the assessment aforesaid until the same assessment shall be paid. Such assessments payable in equal installments shall also, as hereinbefore provided, be liens upon the land or lots so assessed.

The owner of any lot or parcel of land abutting on said improvement district desiring to exercise the privilege of payment by installments shall, before the expiration of the sixty (60) days aforesaid, enter into an agreement in writing with the city that, in consideration of such privilege, he will make no objection to any illegality or irregularity with regard to the assessment against his property, and will pay the same as required by law, with the specified interest. Such agreement shall be filed in the office of the city recorder. Provided, however, that the whole amount of the assessment made upon or against any lot or parcel of land abutting on said improvement district, with the interest then due, may be paid by the lot owner at his option at the time such levy is made, or at any installment period thereafter. If the lot owner makes default in the payment of any installment and interest thereon, all of the installments, with interest shall become delinquent and immediately due and payable.

After the delinquent date the lien on the respective lots for such assessments shall be foreclosed and the collection of assessments enforced by the city, and the city may join in any suit all lots and delinquent owners in the improvement district, but shall not be required to do so. The property thus sold may be redeemed at any time during a period of two (2) years and after sale on payment of the assessment, interest, penalties and all court costs and other costs accruing on account of such sale.

At such sale no bid less than the amount of the interest, penalties and costs, shall be received and in the absence of such bid, the city treasurer, on behalf of the city, shall bid in the same, and if struck off to such city, and after the redemption period, the property shall be held by the city in fee simple absolute subject to the lien of the taxes and assessments set forth in section 6 hereof.

Any court having jurisdiction of any suit brought for the enforcement of the lien of such assessments shall, in addition have the power to order a sale, have power and authority to appoint a receiver to collect the rents and profits of such lots and apply the proceeds thereof to the payment of costs, assessments, interest and penalties.

Any sale made under the provisions of this act, shall be governed as to notice, terms, costs and in all other respects by the rules of chancery practiced now, or hereafter enforced, governing sales of land by the chancery courts of this state.

(8) If any assessment levied for any improvement authorized by this act be declared invalid by reason of any mistake or irregularity in the proceeding, the board of mayor and aldermen shall have the power at any time before the expiration of three (3) years from and after the determination of such invalidity, to reassess such property and may, when necessary, reassess all property abutting upon the street improved, the assessment on which had not been paid.

(Pvt. Acts 1991, Ch. 119, § 1)









## AGENDA ACTION FORM

**Consideration of an Ordinance to Accept the "Proposal of the Department of Transportation of the State of Tennessee to the City of Kingsport, Tennessee" for the Signalization of John B. Dennis Highway at Pavilion Drive and Authorize the Mayor to Sign all Applicable Documents.**

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Action Form No.: AF-44-2009  
 Work Session: February 16, 2009  
 First Reading: February 17, 2009

Final Adoption: March 3, 2009  
 Staff Work By: M. Thompson  
 Presentation By: R. McReynolds

**BMA Strategic Plan 2005-2006**

(CV=Core Value, KSF=Key Success Factor, KSO=Key Strategic Objective)

**CV #:**

**KSF # 8 – Safe Community**

**KSO #**

**Recommendation:** Approve the Ordinance.

**Executive Summary:**

The attached proposal by TDOT to the City of Kingsport is required to be accepted by the Board of Mayor and Aldermen for TDOT to move forward with property acquisition for the proposed improvements to the intersection of State Route 93 (John B. Dennis Highway) and Pavilion Drive. Improvements include signalization, and additional turning lanes at this intersection.

**Attachments:**

1. Ordinance
2. TDOT Cover Letter
3. TDOT Proposal

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

ORDINANCE NO. \_\_\_\_\_

# PRE-FILED CITY RECORDER

AN ORDINANCE TO ACCEPT THE PROPOSAL OF THE DEPARTMENT OF TRANSPORTATION OF THE STATE OF TENNESSEE TO CONSTRUCT A PROJECT DESIGNATED AS FEDERAL PROJECT NUMBER STP-M-93(8), STATE PROJECT NUMBER 82019-2212-54, SR 93 (JOHN B. DENNIS HIGHWAY) AT PAVILION DRIVE SIGNALIZATION IN KINGSPORT, SULLIVAN COUNTY; TO AUTHORIZE THE MAYOR TO EXECUTE THE PROPOSAL AND ALL APPLICABLE DOCUMENTS; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE.

WHEREAS, the Department of Transportation of the State of Tennessee (TDOT) proposes to construct a project in the City of Kingsport designated as Federal Project Number STP-M-93(8), State Project Number 82019-2212-54 that is described as SR 93 (John B. Dennis Highway) at Pavilion Drive Signalization in Kingsport, Sullivan County; and

WHEREAS, the City of Kingsport has determined that the project will benefit the city and the citizens thereof; and

WHEREAS, the terms of the proposal require that the city agree to cooperate with TDOT as set forth in the proposal so that TDOT can move forward with property acquisition for the proposed improvements, including signalization and additional turning lanes, at the intersection of State Route 93 (John B. Dennis Highway) and Pavilion Drive; and

WHEREAS, acceptance of the proposal shall be evidenced by the passage of an ordinance, or by other proper governmental action, which shall incorporate the proposal verbatim, or by reference thereto.

Now therefore,

BE IT ORDAINED BY THE CITY OF KINGSPORT, as follows:

SECTION I. That the proposal of the Department of Transportation of the State of Tennessee (TDOT) to the City of Kingsport, Tennessee concerning Federal Project Number STP-M-93(8), State Project Number 82019-2212-54 that is described as SR 93 (John B. Dennis Highway) at Pavilion Drive Signalization in Kingsport, Sullivan County is accepted verbatim as follows:

## **PROPOSAL OF THE DEPARTMENT OF TRANSPORTATION OF THE STATE OF TENNESSEE TO THE CITY OF KINGSPORT, TENNESSEE**

The DEPARTMENT OF TRANSPORTATION of the State of Tennessee, hereinafter "DEPARTMENT", proposes to construct a project designated as No. STP-M-93(8), 82019-2212-54 that is described as SR 93 (John B. Dennis Hwy) at Pavilion Drive Signalization in Kingsport in the CITY of KINGSPORT, hereinafter CITY, provided the CITY agrees to cooperate with the DEPARTMENT as set forth in this proposal, so that the general highway program may be carried out in accordance with the intent of the General Assembly of the State.

Accordingly, if the CITY will agree:

1. That in the event any civil actions in inverse condemnation or for damages are instituted by reason of the DEPARTMENT, or its contractor, going upon the

highway right of way and easements, and constructing said project in accordance with the plans and as necessary to make the completed project functional, it will notify in writing the Attorney General of the State, whose address is 404 James Robertson Parkway, Nashville, Tennessee 37243-0487, of the institution of each civil action, the complaint and all subsequent pleadings, within ten (10) days after the service of each of the same, under penalty of defending such actions and paying any judgments which result therefrom at its own expense; and

2. To close or otherwise modify any of its roads or other public ways if indicated on the project plans, as provided by law; and

3. To transfer or cause to be transferred to the DEPARTMENT without cost to it, all land owned by the CITY or by any of its instrumentalities as required for right of way or easement purposes, provided such land is being used or dedicated for road or other public way purposes; and

4. Where privately, publicly or cooperatively owned utility lines, facilities and systems for producing, transmitting or distributing communications, power, electricity, light, heat, gas, oil, crude products, water, steam, waste, storm water not connected with highway drainage, and other similar commodities, including publicly owned facilities such as fire and police signal systems and street lighting systems are located within the right of way of any road or other public way owned by the CITY, or any of its instrumentalities, the CITY agrees that it will take action necessary to require the removal or adjustment of any of the above described facilities as would conflict with the construction of the project. But the foregoing may not be a duty of the CITY since it shall become operative only after the DEPARTMENT has been unsuccessful in its efforts to provide for said removals or adjustments for the benefit of the CITY.

The foregoing does not apply to those utility facilities which are owned by the CITY or one of its instrumentalities, it being understood that the CITY has the duty to relocate or adjust such facilities, if required, provided the CITY is notified to do so by the DEPARTMENT with detailed advice as to this duty of the CITY; and

5. To maintain any frontage road to be constructed as part of the project; and

6. That after the project is completed and open to traffic, to accept for jurisdiction and maintenance such parts of any existing DEPARTMENT highway to be replaced by the project, as shown on the attached map; and

7. That the CITY will make no changes or alter any segment of a road on its road system that lies within the limits of the right of way acquired for any interchange to be constructed as part of the project and will not permit the installation or relocation of any utility facilities within the right of way of any such a segment of one of its roads without first obtaining the approval of the DEPARTMENT; and

8. That no provision hereof shall be construed as changing the maintenance responsibility of the CITY for such part of the project as may presently be on its highway, street, road or bridge system; and

9. That it is understood and agreed between the DEPARTMENT and the CITY that all traffic control signs for the control of traffic on a street under the jurisdiction of the CITY and located within the DEPARTMENT' s right of way shall be maintained and replaced by the CITY; and

10. That when traffic control devices for the direction or warning of traffic, lighting of roadways or signing, or any of them, which are operated or function by the use of electric current are constructed or installed as part of the project, they will be furnished with electricity and maintained by the CITY.

11. If, as a result of acquisition and use of right of way for the project, any structures that become in violation of a CITY setback/building line requirement, the CITY agrees to waive enforcement of the CITY setback/building line requirement and take other proper governmental action therefore.

12. To prohibit encroachments of any kind upon the right of way and easements for the project; and

13. To prohibit the servicing of motor vehicles within the right of way and easements for the project; and

14. To obtain the approval of the DEPARTMENT before authorizing parking on



the right of way and easements for the project and before installing any device for the purpose of regulating the movement of traffic; and

15. The DEPARTMENT will maintain the completed project if it is classified as full access control (i.e. a project which has no intersecting streets at grade), and it will maintain the pavement from curb to curb where curbs exist or the full width of the roadway where no curbs exist on non-access control projects. The CITY agrees to maintain other parts of non-access control projects.

16. That when said project is completed, it thereafter will not permit any additional median crossovers, the cutting of the pavement, curbs, gutters and sidewalks, by any person, firm, corporation or governmental agency, without first obtaining the approval of the DEPARTMENT.

The acceptance of this proposal shall be evidenced by the passage of an ordinance, or by other proper governmental action, which shall incorporate this proposal verbatim, or by reference thereto. Thereafter, the DEPARTMENT will acquire the right of way and easements, construct the project and defend any inverse condemnation or damage civil actions of which the Attorney General has received the notice and pleadings provided for herein.

The project plans hereinbefore identified by number and description are incorporated herein by reference and shall be considered a part of this proposal, including any revisions or amendments thereto, provided a copy of each is furnished the CITY.

SECTION II. That the Mayor, or in his absence, incapacity, or failure to act, the Vice Mayor, is authorized to execute, in a form approved by the City Attorney and subject to the requirements of Article X, Chapter 10 of the Charter of the City of Kingsport, a Proposal Of The Department Of Transportation Of The State Of Tennessee To The City Of Kingsport, Tennessee and all applicable documents.

SECTION III. That this ordinance shall take effect from and after the date of its passage, as the law directs, the public welfare of the City of Kingsport, Tennessee requiring it.

\_\_\_\_\_  
DENNIS R. PHILLIPS, Mayor

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING  
City Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY  
City Attorney

PASSED ON 1st READING \_\_\_\_\_  
PASSED ON 2nd READING \_\_\_\_\_

(865)594-2496



STATE OF TENNESSEE  
**DEPARTMENT OF TRANSPORTATION**  
P. O. BOX 58  
KNOXVILLE, TENNESSEE 37901

January 27, 2009

Mr. Dennis R. Phillips, Mayor  
City of Kingsport  
225 West Center Street  
Kingsport, TN 37660

**RE: PROPOSAL TO CITY OF KINGSPORT**

Federal Project No.: STP-M-93(8)  
State Project No.: 82019-2212-54  
SR 93 (John B. Dennis Hwy.) at Pavilion Drive  
Signalization in Kingsport  
Sullivan County

Dear Mayor Phillips:

Mr. Garnet Dill is handing you one (1) set of plans and two (2) copies of the proposal on the above referenced project. The state representative handing you the proposal will be willing to answer any questions you may have or obtain the answers for you.

**Following acceptance, one (1) copy of the proposal should be returned to me accompanied by a certified copy of the resolution or ordinance, whichever is applicable, accepting the proposal.** An example of a resolution with the necessary legal language is attached.

It is to be noted that we cannot begin buying the rights-of-way for this project until the city council has accepted the proposal and same has been reviewed and approved by our staff attorney. Therefore, your earliest attention to this matter will be appreciated.

We appreciate your cooperation and if we can be of assistance in any way, please do not hesitate to contact us.

Yours truly,

A handwritten signature in blue ink, appearing to read "Oliver C. Farris".

Oliver C. Farris  
Transportation Manager 2  
Right-of-Way Office

OCF/dd  
Attachment

**P R O P O S A L**  
**OF THE DEPARTMENT OF TRANSPORTATION OF THE STATE OF TENNESSEE**  
**TO THE CITY OF KINGSPORT, TENNESSEE**

The DEPARTMENT OF TRANSPORTATION of the State of Tennessee, hereinafter "DEPARTMENT", proposes to construct a project designated as No. STP-M-93(8), 82019-2212-54 that is described as SR 93 (John B. Dennis Hwy) at Pavilion Drive Signalization in Kingsport in the CITY of KINGSPORT, hereinafter CITY, provided the CITY agrees to cooperate with the DEPARTMENT as set forth in this proposal, so that the general highway program may be carried out in accordance with the intent of the General Assembly of the State.

Accordingly, if the CITY will agree:

1. That in the event any civil actions in inverse condemnation or for damages are instituted by reason of the DEPARTMENT, or its contractor, going upon the highway right of way and easements, and constructing said project in accordance with the plans and as necessary to make the completed project functional, it will notify in writing the Attorney General of the State, whose address is 404 James Robertson Parkway, Nashville, Tennessee 37243-0487, of the institution of each civil action, the complaint and all subsequent pleadings, within ten (10) days after the service of each of the same, under penalty of defending such actions and paying any judgments which result therefrom at its own expense; and

2. To close or otherwise modify any of its roads or other public ways if indicated on the project plans, as provided by law; and

3. To transfer or cause to be transferred to the DEPARTMENT without cost to it, all land owned by the CITY or by any of its instrumentalities as required for right of way or easement purposes, provided such land is being used or dedicated for road or other public way purposes; and

4. Where privately, publicly or cooperatively owned utility lines, facilities and systems for producing, transmitting or distributing communications, power, electricity, light, heat, gas, oil, crude products, water, steam, waste, storm water not connected with highway drainage, and other similar commodities, including publicly owned facilities such as fire and police signal systems and street lighting systems are located within the right of way of any road or other public way owned by the CITY, or any of its instrumentalities, the CITY agrees that it will take action necessary to require the removal or adjustment of any of the above described facilities as would conflict with the construction of the project. But the foregoing may not be a duty of the CITY since it shall become operative only after the DEPARTMENT has been unsuccessful in its efforts to provide for said removals or adjustments for the benefit of the CITY.

The foregoing does not apply to those utility facilities which are owned by the CITY or one of its instrumentalities, it being understood that the CITY has the duty to relocate or adjust such facilities, if required, provided the CITY is notified to do so by the DEPARTMENT with detailed advice as to this duty of the CITY; and

5. To maintain any frontage road to be constructed as part of the project; and

6. That after the project is completed and open to traffic, to accept for jurisdiction and maintenance such parts of any existing DEPARTMENT highway to be replaced by the project, as shown on the attached map; and

7. That the CITY will make no changes or alter any segment of a road on its road system that lies within the limits of the right of way acquired for any interchange to be constructed as part of the project and will not permit the installation or relocation of any utility facilities within the right of way of any such a segment of one of its roads without first obtaining the approval of the DEPARTMENT; and

8. That no provision hereof shall be construed as changing the maintenance responsibility of the CITY for such part of the project as may presently be on its highway, street, road or bridge system; and

9. That it is understood and agreed between the DEPARTMENT and the CITY that all traffic control signs for the control of traffic on a street under the jurisdiction of the CITY and located within the DEPARTMENT's right of way shall be maintained and replaced by the CITY; and

10. That when traffic control devices for the direction or warning of traffic, lighting of roadways or signing, or any of them, which are operated or function by the use of electric current are constructed or installed as part of the project, they will be furnished with electricity and maintained by the CITY.

11. If, as a result of acquisition and use of right of way for the project, any structures that become in violation of a CITY setback/building line requirement, the CITY agrees to waive

enforcement of the CITY setback/building line requirement and take other proper governmental action therefore.

12. To prohibit encroachments of any kind upon the right of way and easements for the project; and

13. To prohibit the servicing of motor vehicles within the right of way and easements for the project; and

14. To obtain the approval of the DEPARTMENT before authorizing parking on the right of way and easements for the project and before installing any device for the purpose of regulating the movement of traffic; and

15. The DEPARTMENT will maintain the completed project if it is classified as full access control (i.e. a project which has no intersecting streets at grade), and it will maintain the pavement from curb to curb where curbs exist or the full width of the roadway where no curbs exist on non-access control projects. The CITY agrees to maintain other parts of non-access control projects.

16. That when said project is completed, it thereafter will not permit any additional median crossovers, the cutting of the pavement, curbs, gutters and sidewalks, by any person, firm, corporation or governmental agency, without first obtaining the approval of the DEPARTMENT.

The acceptance of this proposal shall be evidenced by the passage of a ordinance, or by other proper governmental action, which shall incorporate this proposal verbatim, or by reference thereto. Thereafter, the DEPARTMENT will acquire the right of way and easements, construct the project and defend any inverse condemnation or damage civil actions of which the Attorney General has received the notice and pleadings provided for herein.

The project plans hereinbefore identified by number and description are incorporated herein by reference and shall be considered a part of this proposal, including any revisions or amendments thereto, provided a copy of each is furnished the CITY.

IN WITNESS WHEREOF, the DEPARTMENT has caused this proposal to be executed by its duly authorized official on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

**THE CITY OF KINGSPORT**

BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
Mayor

**STATE OF TENNESSEE  
DEPARTMENT OF TRANSPORTATION**

BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
Gerald F. Nicely  
Commissioner

**APPROVED AS TO FORM AND LEGALITY:**

BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
John Reinbold  
General Counsel



## AGENDA ACTION FORM

### Consideration of an Ordinance to Amend the General Purpose School Fund and the General Project Fund Budgets

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Agenda Form No.: AF-37-2009  
 Work Session: February 19, 2009  
 First Reading: February 20, 2009

Final Adoption: March 3, 2009  
 Staff Work: David Frye  
 Presentation: David Frye

### **BMA Strategic Plan 2005-2006**

(CV=Core Value, KSF=Key Success Factor, KSO = Key Strategic Objective)

**KSF #5: Stewardship of Public Funds**

**KSF # 6: Strong Public Education System**

### **Recommendation:**

Approve the Ordinance.

### **Executive Summary:**

On February 5, 2009, the Board of Education approved Budget Amendment Number Four to the FY 2008-2009 budget. Items one through eight are associated with this ordinance. This amendment increases the estimated revenues and appropriations for the General Purpose School Fund in the net amount of \$616,245. This amendment also increases the estimated revenues and appropriations for the General Project Funds by \$584,352. Please see the attached Kingsport City Schools – Budget Amendment Number Four for more detail.

### **Attachments:**

1. Ordinance
2. BOE Budget Amendment Number Four

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—



ORDINANCE NO. \*\*\*\*

AN ORDINANCE TO AMEND THE GENERAL PURPOSE  
SCHOOL FUND AND THE GENERAL PROJECT FUND  
BUDGETS; AND, TO FIX THE EFFECTIVE DATE OF THIS  
ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSPORT, as follows:

SECTION I. That the General Purpose School Fund budget be amended to ratify the Kingsport Board of Education approval of Budget Amendment Number Four to increase the estimated revenue for Federal Education of the Handicapped funds by \$29,046; the estimated revenue for Other State Education funds by \$37,447; the estimated revenue for Adult Education Tuition by \$6,000; the estimated revenue for other local revenue by \$41,901; the estimated revenue for Bond Proceeds by \$542,451; to decrease the estimated revenue for State Extended Contract funds by \$40,600 and to increase the appropriation for Adult Education Salaries, Benefits, and Instructional Supplies by \$6,000; the appropriation for Special Education Support-Other Contracted services by \$29,046; the appropriation for; the appropriation for Building Improvements by \$37,447; the appropriations for Fund Transfers by \$584,352 and to decrease the appropriations for State Extended Contract Salary and Benefits by \$40,600. In addition the General Project fund budget will be amended by increasing the estimated revenues for transfers from the School Fund by \$542,451 and by increasing the appropriations for the Unallocated FY 2009 Hawkins County Bond Funds project (GP0923) by \$542,451. The General Project-Special Revenue fund budget will also be amended by increasing the estimated revenues for transfers from the School Fund by \$41,901 and by increasing the appropriations for the FY 2009 E-Rate Funds (NC0907) by \$41,901.

<u>Account Number/Description:</u>		<u>Budget</u>	<u>Incr/&lt;Decr&gt;</u>	<u>New Budget</u>
<b>Fund 141: School Fund</b>				
<b>Revenues:</b>		\$	\$	\$
141-0000-337-7143	Ed. of the Handicapped	0	29,046	29,046
141-0000-338-6950	Other State Ed. Funds	174,474	37,447	211,921
141-0000-338-6612	Extended Contract Funds	310,500	(40,600)	269,900
141-0000-349-3512	Adult Education Tuition	0	6,000	6,000
141-0000-369-4990	Other Local Revenue	116,300	41,901	158,201
141-0000-349-4990	Bond Proceeds	0	542,451	542,451
<b>Totals:</b>		<b>601,274</b>	<b>616,245</b>	<b>1,217,519</b>

<u>Account Number/Description:</u>		<u>Budget</u>	<u>Incr/&lt;Decr&gt;</u>	<u>New Budget</u>
<b>Expenditures:</b>		\$	\$	\$
141-7150-711-0127	Extended Contracts	272,000	(35,600)	236,400
141-7150-711-0201	Reg. Ed.-Social Security	1,244,525	(2,200)	1,242,325
141-7150-711-0204	Reg. Ed.-Retirement	1,405,557	(2,300)	1,403,257

141-7150-711-0212	Reg. Ed.-Medicare	290,942	(500)	290,442
141-7150-751-0116	Ad. Ed.-Teacher Salaries	0	5,050	5,050
141-7150-751-0116	Ad. Ed.-Social Security	0	300	300
141-7150-751-0116	Ad. Ed.-Unemployment	0	50	50
141-7150-751-0116	Ad. Ed.-Medicare	0	100	100
141-7150-751-0116	Ad. Ed.-Inst. Supplies	0	500	500
141-7250-782-0399	Sp. Ed. Contracted Serv.	10,000	29,046	39,046
141-7650-871-0707	Cap Outlay-Bldg Imp	322,701	37,447	360,148
141-7950-881-0590	Trfs to Other Funds	504,700	584,352	1,089,052
<b>Totals:</b>		<b>4,050,425</b>	<b>616,245</b>	<b>4,666,670</b>

**Fund 111: General Project-Special Rev Fund**

**Revenues:**

NC0907 2009 E-Rate Funds

111-0000-391-2100	Transfer From School Fund	0	41,901	41,901
<b>Totals:</b>		<b>0</b>	<b>41,901</b>	<b>41,901</b>

**Expenditures:**

NC0907 2009 E-Rate Funds

111-0000-601-9004	Equipment	0	41,901	41,901
<b>Totals:</b>		<b>0</b>	<b>41,901</b>	<b>41,901</b>

**Fund 311: General Project Fund**

**Revenues:**

GP0923 Unallocated FY 2009 Hawkins Co. Bonds

311-0000-391-2100	Transfer From School Fund	0	542,451	542,451
<b>Totals:</b>		<b>0</b>	<b>542,451</b>	<b>542,451</b>

**Expenditures:**

GP0923 Unallocated FY 2009 Hawkins Co. Bonds

311-0000-601-2022	Construction Contracts	0	542,451	542,451
<b>Totals:</b>		<b>0</b>	<b>542,451</b>	<b>542,451</b>

SECTION II. That this Ordinance shall take effect from and after its date of passage, as the law direct, the welfare of the City of Kingsport, Tennessee requiring it.

ATTEST:

\_\_\_\_\_  
DENNIS PHILLIPS, Mayor

APPROVED AS TO FORM:

\_\_\_\_\_  
JAMES H. DEMMING, City Recorder

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, City Attorney

PASSED ON 1ST READING: February 17, 2009

PASSED ON 2ND READING: March 5, 2009

February 5, 2009

**KINGSPORT CITY SCHOOLS  
FISCAL YEAR 2008-2009  
BUDGET AMENDMENT NUMBER FOUR**

**GENERAL PURPOSE SCHOOL FUND**

**ITEM ONE: HAWKINS COUNTY BOND FUNDS**

Hawkins County is currently in their third phase of school renovations/construction. The total amount of bonds issued in this phase is \$10,740,758. Kingsport City Schools will share in the proceeds of this bond issue according to the percentage of average daily attendance (ADA). Kingsport City Schools ADA percentage in Hawkins County for FY 2008 was 5.05%. This will result in Kingsport City Schools receiving \$542,451. These funds will be received as Hawkins County draws funds to pay the current expenditures of their projects. KCS began receiving these funds in August 2008 and have received to date \$345,213. It is not known if all of these funds will be received this fiscal year or if this will continue into next fiscal year. It is recommended that the estimate for Bond Proceeds be increased by \$542,451 and that the appropriation for fund transfers be increased by \$542,451. It is further recommended that the total amount of funds received in fiscal year 2009 be transferred to a multi-year project for Unallocated 2008 Hawkins County Bond Funds to be appropriated to specific projects in the future.

**ITEM TWO: EXTENDED CONTRACT FUNDS**

The current estimated revenue and appropriation for Extended Contract funds is \$310,500. We have been notified by the State that these funds will be reduced by 13% due to the shortfall in State revenue. The amount of the reduction for Kingsport City Schools is \$40,600. It is recommended that the estimated revenue of Extended Contract funds be decreased by \$40,600 and that the appropriations for Extended Contract wages and the related benefits be decreased by the total of \$40,600.

**ITEM THREE: E-RATE FUNDS**

During the first half of FY 2009 there has been \$41,901 received in E-Rate funds. These funds are to be spent for technology in K-12 classrooms. It is recommended that the estimate for Other Local Revenue be increased by \$49,901 and that the appropriation for Fund Transfers be increased by \$49,901. It is further recommended that these funds be transferred to a multi-year capital project for FY 2009 E-Rate funds.

**ITEM FOUR: SPECIAL EDUCATION HIGH COST FUNDS**

Kingsport City Schools has received \$29,046 for FY 2008 high cost special education students. This is reimbursement for General Purpose School Funds expenditures for high cost special education students. These funds must be spent for special education instruction or support services. It is recommended that the estimated revenue for Education of the Handicapped funds be increased by \$29,046.

#### **ITEM FIVE: SPECIAL EDUCATION LEGAL FEES**

The original budget included \$10,000 for Special Education Legal Fees. To date we have spent \$37,262. It is recommended that the appropriation Special Education Legal Fees be increased by \$29,046. These funds will come from the funds received for high cost special education students. This will leave a balance in the Special Education Legal Fee account of \$1,784.

#### **ITME SIX: CONNECTN FUNDS**

ConnecTN funds are funds that are received from the State Department of Education to help fund internet connectivity. This fiscal year we will receive \$37,447 of ConnecTN funds. These funds were not included in our original revenue estimates. An appropriation of \$113,000 was included in our original budget for internet connectivity. The ConnecTN funds must be applied toward our internet connectivity expenditures. Since the budget for this expense is already established, the receipt of these funds essentially frees up other revenues to be spent as we determine. It is recommended that the estimated revenue for Other State Education Funds be increased by \$37,447.

#### **ITEM SEVEN: CAPITAL IMPROVEMENT PROJECTS (CIP)**

There is currently a balance in the CIP account of approximately \$45,000. It was planned to re-surface the Dobyns-Bennett track this year, but due to other projects rising to the top of the list there is not enough funds remaining to complete this project. It is estimated that the re-surfacing projects will cost in the \$50,000 to \$60,000 range. It is recommended that the funds (\$37,447) made available be the receipt of the ConnecTN funds, be appropriated to the CIP account. This will provide funds for the re-surfacing project and funds to complete other projects as determined by the CIP committee.

#### **ITEM EIGHT: ADULT EDUCATION EVENING PROGRAM**

The Adult Education Evening program was discontinued as July 1, 2008. The FY 2009 budget did not include any funds for the operation of this program. In the spring of 2008 a Clinical Medical Assistant I course was provided. Since this is a 3-part course it was the Board's and the staff's desire that the remaining 2 sections of the course be offered. The CMA II course was offered this fall and the CMA III course is currently being offered. Since we have collected revenue and have incurred expenditures it is necessary to establish a budget for this program. It is recommended that the estimated revenue for Adult Education Tuition be increased by \$6,000 and that the appropriations for Adult Education salaries and benefits be increased by \$5,500 and that the appropriation for instructional supplies be increased by \$500.

#### **ITEM NINE: PRIOR YEAR UNEXPENDED EASTMAN POS FUNDS**

In some previous years Kingsport City Schools has not expended the entire allocation of Eastman Plan of Services funds. When this has happened the City of Kingsport has established a reserve for those funds to be expended in future years. There are currently reserves established for FY 2005 (\$63,356), FY 2006 (\$67,479), and FY 2007 (\$11,894). Earlier this year the Board authorized the

creation the new position of Senior Technical Advisor. The Board was advised at that time that his position could possibly be funded with unexpended prior years Eastman POS funds. As a housekeeping matter it is now time to make an appropriation from the reserves that have been established. The total cost (salary and benefits) of the position for FY 2009 is \$82,200. It is recommended that the estimated revenue for the Eastman Annexation Tax Fund Balance Appropriation be increased by \$82,200 and the appropriation for Transfers to the School Special Projects Fund be increased by \$82,200. This will leave a total reserve balance of \$60,529. It is anticipated that the total current year appropriation will not be spent, due to funds remaining that were allocated for differentiated teacher pay.

#### **ITEM TEN: SCHOOL CAPITAL PROJECTS**

There are 3 school capital projects that have been completed that have funds remaining that need to be closed out and the excess funds either transferred back to the original source or to another capital project. The 3 projects and their budget, expenditures, and remaining balances are:

	Budget	Expenditures	Balance
Dobyns-Bennett Renovations	\$25,715,190	\$25,714,173	\$ 1,017
J. Fred Johnson Structural Repairs	312,558	311,232	1,326
J. Fred Johnson Artificial Turf	<u>1,354,595</u>	<u>1,252,211</u>	<u>102,384</u>
Totals	<u>\$27,382,343</u>	<u>\$27,277,616</u>	<u>\$104,727</u>

It is recommended that the balance of \$104,727 be transferred to the John Adams Elementary School project. When this project was approved and funded it was stated at that time that the total project costs, including one-time start-up costs was under funded in the amount of \$565,000. This transfer will help offset a portion of this amount.

#### **EFFECTS ON INDIVIDUAL ACCOUNT NUMBERS**

##### **GENERAL PURPOSE SCHOOL FUND**

##### **REVENUES:**

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
141-0000-337-7143	Federal Revenue – Ed. of the Handicapped	\$ 29,046
141-0000-338-6590	State Revenue – Other State Education	37,447
141-0000-338-6612	State Revenue – Extended Contract	(40,600)
141-0000-349-3512	Charges for Ser. – Adult Education Tuition	6,000
141-0000-369-4990	Other Revenue – Other Local Revenue	41,901
141-0000-399-9100	Other Sources – Bond Proceeds	<u>542,451</u>
Total Change in Estimated Revenue		<u>\$ 616,245</u>

**EXPENDITURES:**

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
141-7150-711-0127	Reg. Inst. – Extended Contract Wages	\$ (35,600)
141-7150-711-0201	Reg. Inst. – Social Security	(2,200)
141-7150-711-0204	Reg. Inst. – State Retirement	(2,300)
141-7150-711-0212	Reg. Inst – Medicare	(500)
141-7150-751-0116	Adult Education – Teacher Salaries	5,050
141-7150-751-0201	Adult Education – Social Security	300
141-7150-751-0210	Adult Education – Unemployment	50
141-7150-751-0212	Adult Education – Medicare	100
141-7150-751-0429	Adult Education – Instructional Supplies	500
141-7250-782-0399	Sp. Ed. Support – Other Contracted Ser.	29,046
141-7650-871-0707	Capital Outlay – Other Capital Outlay	37,447
141-7950-881-0590	Other Uses – Funds Transfers	<u>584,352</u>
Total Change in Budgeted Expenditures		<u>\$ 616,245</u>

**EASTMAN ANNEXATION TAX FUND****REVENUES:**

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
133-0000-392-0100	Fund Balance Appropriation	<u>\$ 82,200</u>
Total Change in Estimated Revenue		<u>\$ 82,200</u>

**EXPENDITURES:**

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
133-4804-481-7037	Fund Transfers – School Special Projects	<u>\$ 82,200</u>
Total Change in Budgeted Expenditures		<u>\$ 82,200</u>

## GENERAL PROJECT FUND – SPECIAL REVENUE

### REVENUES:

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
111-0000-391-2100 NC0907	Fund Transfers – From School Fund	<u>\$ 41,901</u>
Total Change in Estimated Revenue		<u>\$ 41,901</u>

### EXPENDITURES:

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
111-0000-601-9004 NC0907	Capital Outlay – Equipment	<u>\$ 41,901</u>
Total Change in Budgeted Expenditures		<u>\$ 41,901</u>

## GENERAL PROJECT FUND

### REVENUES:

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
311-0000-391-2100 GP0923	Fund Transfers – From School Fund	<u>\$542,451</u>
Total Change in Estimated Revenue		<u>\$542,451</u>

### EXPENDITURES:

<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
311-0000-601-2022 GP0923	Contracted Ser. – Construction Contracts	<u>\$542,451</u>
Total Change in Budgeted Expenditures		<u>\$542,451</u>





## AGENDA ACTION FORM

### Consideration of a Resolution Authorizing the Mayor to Execute a Right-of-Way Easement with Kingsport Power Company

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Action Form No.: AF-26-2009  
 Work Session: February 16, 2009  
 First Reading: February 17, 2009

Final Adoption: February 17, 2009  
 Staff Work By: R. Trent, R. McReynolds  
 Presentation By: R. McReynolds

**Recommendation:** Approve the Resolution.

### **Executive Summary:**

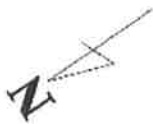
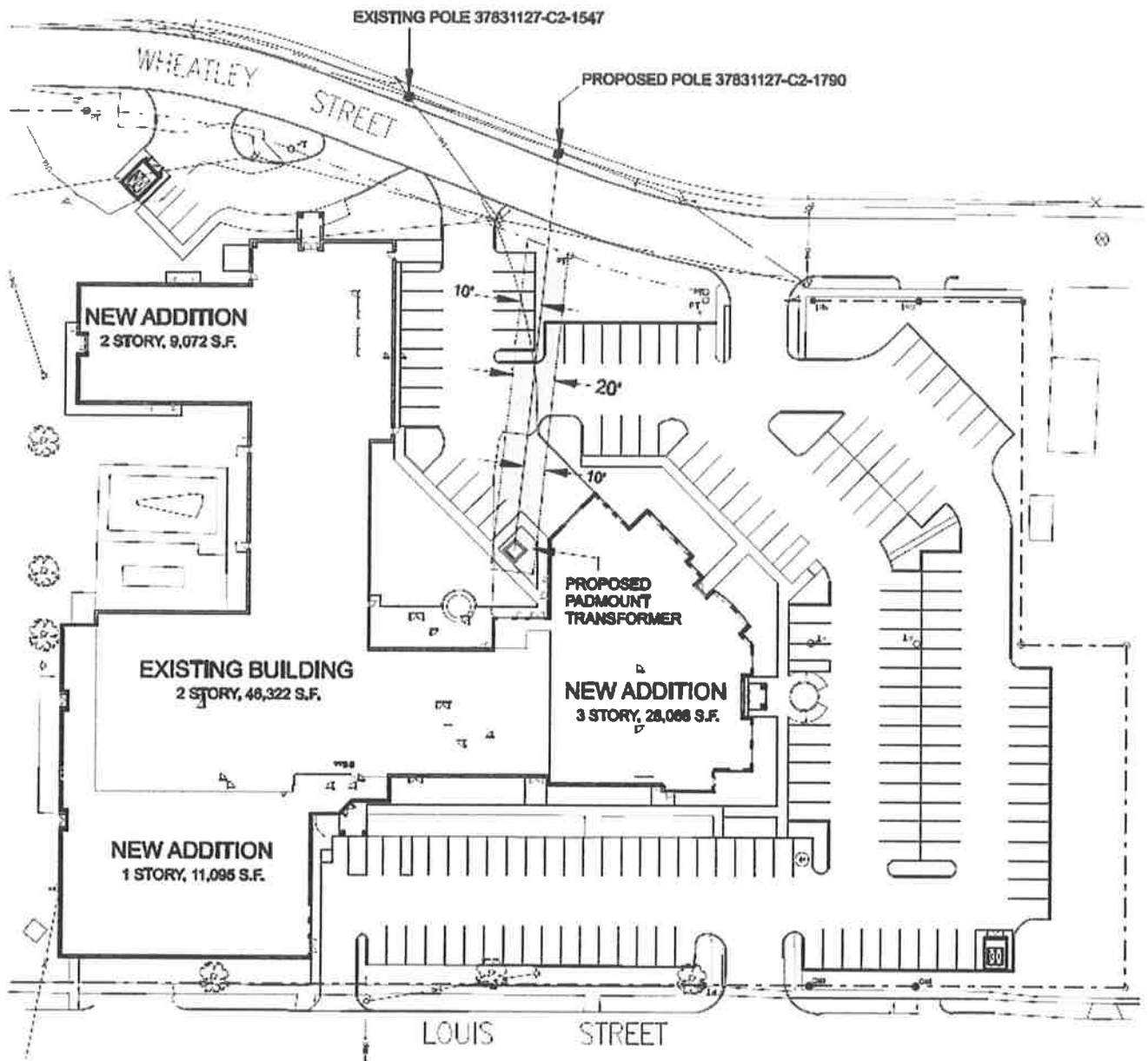
American Electric Power has requested a right-of-way easement from the City of Kingsport in order to extend additional electric power lines and communication lines which will service the VO Dobbins building once the renovations are completed. While the easement is for American Electric Power, it is in the name of its subsidiary, Kingsport Power Company.

### **Attachments:**

1. Right-of-Way Sketch and Easement
2. Resolution

Funding source appropriate and funds are available: \_\_\_\_\_

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Maness	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Phillips	—	—	—



Kingsport, Tennessee  
T.D. 501010  
Map Section 37831127

KINGSPORT POWER COMPANY

CHARLESTON REGION-KINGSPORT DISTRICT-KINGSPORT, TENNESSEE

# PROPOSED RIGHT OF WAY ON THE PROPERTY OF CITY OF KINGSPORT

DRAWN BY	KJW	DATE	1/20/09
APPROVED	CPH	SCALE	NONE

DRAWING NO.

V-1986

City of Kingsport \_\_\_\_\_ Eas No. \_\_\_\_\_ R/W Map No. 3783-1127-C2  
225 West Center Street W. O. No. W001716601 Job No. 0850086 Prop No. 3  
Kingsport, TN 37660 Line \_\_\_\_\_ VO Dobbins \_\_\_\_\_

THIS AGREEMENT, made this 23rd day of January, 2009, by and between  
CITY OF KINGSFORT, a municipal corporation  
organized and existing under the laws of the State of Tennessee, herein called  
"Grantor", and KINGSFORT POWER COMPANY, a Virginia corporation, herein called "Kingsport",

WITNESSETH:

That for and in consideration of the sum of One Dollar (\$1.00), cash in hand paid to Grantor by Kingsport, the receipt whereof is hereby acknowledged, Grantor hereby grants, conveys and warrants to Kingsport, its successors, assigns, lessees and tenants, a right of way and easement for an electric power line or lines, and communication lines, in, on, along, through, over, across or under the following described lands of the Grantor situated in 11th Civil District, County of Sullivan, State of Tennessee.

Being a right of way and easement 20 feet in width (10' on each side of powerline) as shown shaded on that certain Kingsport Power Company drawing entitled "Proposed Right of Way on the City Of Kingsport, V-1986 dated 01/20/2009", attached hereto and made a part hereof.

In the event Kingsport should remove all of said Kingsport's facilities from the lands of the Grantor, then all of the rights, title and interest of the party of Kingsport in the right of way and easement herein above granted, shall revert to the Grantor, its successors and assigns.

Being a right of way easement over the same property conveyed to Grantors herein by Tennessee Eastman Corporation

\_\_\_\_\_, by deed dated September 21, 1949, and recorded in  
Sullivan County, Deed Book No. 111A, Page 589.

Map 061G, Group A, CTL Map 061G, Parcel 011.00.

TOGETHER with the right, privilege and authority to Kingsport, its successors, assigns, lessees and tenants, to construct, erect, install, place, operate, maintain, inspect, repair, renew, remove, add to the number of, and relocate at will, poles, with wires, cables, crossarms, guys, anchors, grounding systems and all other appurtenant equipment and fixtures (hereinafter called "Kingsport's Facilities"), and string wires and cables, adding thereto from time to time, across, through, or over the above referred to premises; the right to cut down, trim, and/or otherwise control, and at Kingsport's option, remove from said premises, any trees, overhanging branches, buildings or other obstructions which may endanger the safety of, or interfere with the use of Kingsport's Facilities; and the right of ingress and egress to and over said above referred to premises, and any of the adjoining lands of the Grantor at any and all times, for the purpose of exercising and enjoying the rights herein granted, and for doing anything necessary or useful or convenient in connection therewith.

It is understood and agreed between the parties hereto, that the Grantor reserves the right to use said lands in any way not inconsistent with the rights herein granted.

TO HAVE AND TO HOLD the same unto Kingsport Power Company, its successors, assigns, lessees and tenants.

It is agreed that the foregoing is the entire contract between the parties hereto, and that this written agreement is complete in all its terms and provisions.

IN WITNESS WHEREOF, Grantor has caused its corporate name and seal to be hereunto affixed the day and year first above written.

CITY OF KINGSPORT

By: \_\_\_\_\_

Mayor

Attest: \_\_\_\_\_  
City Recorder

STATE OF TENNESSEE )  
COUNTY OF \_\_\_\_\_ ) To-wit:

Before me, \_\_\_\_\_ of the State and County aforesaid, personally appeared \_\_\_\_\_, with whom I am personally acquainted, and who, upon oath, acknowledged him/herself to be \_\_\_\_\_ Mayor of \_\_\_\_\_, the within named bargainor, a municipal corporation and that he/she as such \_\_\_\_\_ Mayor, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the municipal corporation by him/herself as \_\_\_\_\_ Mayor.

Witness my hand and official seal in \_\_\_\_\_ County, Tennessee, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_  
I, or we, hereby swear or affirm that the actual consideration for this transfer or value of the property transferred, whichever is greater, is \$ 1.00, which amount is equal to or greater than the amount which the property transferred commanded at a fair and voluntary sale.

KINGSPORT POWER COMPANY

By: \_\_\_\_\_

STATE OF TENNESSEE )  
COUNTY OF SULLIVAN ) To-wit:

Subscribed and sworn to before me this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

My Commission Expires:

\_\_\_\_\_  
Notary Public

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A  
RIGHT-OF-WAY EASEMENT WITH KINGSPORT POWER  
COMPANY

WHEREAS, the City of Kingsport has requested American Electric Power provide additional electrical power to the VO Dobbins building once the renovations are completed; and

WHEREAS, in order to provide and install electric power lines and communication lines, American Electric Power has requested that the City of Kingsport execute a Right-of-Way Easement to Kingsport Power Company, a subsidiary of American Electric Power; and

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN, as follows:

SECTION I. That the Mayor, or in his absence, incapacity, or failure to act, the Vice Mayor, is authorized to execute, in a form approved by the City Attorney, a Right-of-Way Easement with Kingsport Power Company.

SECTION II. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 17<sup>rd</sup> day of February, 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, CITY ATTORNEY



## AGENDA ACTION FORM

**Consideration of a Resolution Awarding the Bid for Various Items for the City of Kingsport School Food and Nutrition Program to Gordon Food Service and Authorizing the Mayor to Sign All Applicable Documents**

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Action Form No.: AF-31-2009  
 Work Session: February 16, 2009  
 First Reading: N/A

Final Adoption: February 17, 2009  
 Staff Work By: Committee  
 Presentation By: S. Crawford

**Recommendation:** Approve the resolution.

**Executive Summary:** Kingsport City Schools Nutrition Services administers a contract to maintain a continual supply of various food commodity and staple items. This contract, which represents approximately 75% of the total cost of food items for the schools, was bid in early December 2008 with bids being opened January 6, 2009 for a total of 421 items. The bid invitation was publicly advertised and bid packages were sent to six (6) potential bidders. Two bids were received. The prices quoted by the low bidder, Gordon Food Services, are approximately 1% above the current pricing and 13.5% below the other bid received. The bid documents include a renewal option on an annual basis in (1) year increments for up to (2) additional years providing all terms, conditions and cost are acceptable to both parties. It is recommended to accept the bid from Gordon Food Service in the amount of \$ 884,677.36 for the time period of March 1, 2009 – February 28, 2010.

These costs, and all other expenses of the School Nutrition Program, are completely funded by the School Food and Nutrition Program revenue received from meals and USDA reimbursement.

**Attachments:**

1. Resolution
2. Supplementary Information
3. Bid Minutes

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AWARDDING THE BID FOR THE SUPPLY OF VARIOUS ITEMS FOR USE BY THE KINGSPORT CITY SCHOOL SYSTEM SCHOOL NUTRITION PROGRAM TO GORDON FOOD SERVICE AND AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT, AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT, WITH GORDON FOOD SERVICE

WHEREAS, bids were opened January 6, 2009, for the supply of various items for use by the Kingsport City School System School Nutrition Program; and

WHEREAS, upon review of the bids, the board finds Gordon Food Service is the lowest responsible compliant bidder in the best interest and advantage to the city, and the City of Kingsport desires to enter into an agreement with Gordon Food Service for the supply service at a cost of \$884,677.36 for the period March 1, 2009 through February 28, 2010 with the option to renew annually in one year increments up to two additional years subject to acceptance of terms, conditions and cost; and

WHEREAS, funding is provided in the Kingsport City School System School Food and Nutrition Program budget.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the bid for the supply of various items for use by the Kingsport City School System School Nutrition Program at a cost of \$884,677.36 for the period March 1, 2009 through February 28, 2010 with the option to renew annually in one year increments for a two year period subject to acceptance of terms conditions and cost is awarded to Gordon Food Service.

SECTION II. That the Mayor, or in his absence, incapacity, or failure to act, the Vice Mayor, is authorized to execute, in a form approved by the City Attorney and subject to the requirements of Article X, Chapter 10 of the Charter of the City of Kingsport, an agreement, and all other documents necessary and proper to effectuate the agreement, with Gordon Food Service for the Kingsport City School System School Nutrition Program at a cost of \$884,677.36 for the period March 1, 2009 through February 28, 2010 with the option to renew annually in one year increments up to two additional years subject to acceptance of terms, conditions and cost .

SECTION III. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 17th day of February, 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, CITY ATTORNEY



## Supplemental Information for Agenda Action Form Number AF-31-2009

Food purchased March 1, 2008 - February 28, 2009 approximately	\$598,396.75
Current costs for March 2008- March 09 are approximately 9% higher	<u>\$ 53,855.69</u>
Estimated total for March 2008- March 09 is approximately	\$652,252.26
 Estimated increase for March 2009- March 2010 based in bid increase of 1%	 \$ 6522.52
 Estimated effect of John Adams Elementary	
Initial stocking	\$ 4,000
Estimated food Cost for SY 09-10	<u>\$ 29,000</u>
 Total of above	 \$691,774.78

All the above assumes that we will be able to obtain the same amount of commodities that we have this year (\$174,000) through the USDA/State of TN commodity purchasing program. If not, the quantity that is not available to us through that program will be purchased on this contract. In the worst case, if none were available through USDA/State of TN the total spent next year on this contract could be \$865,775 even without considering the added cost of having to purchase these items without benefit of the commodity program. Any amount in excess of \$884,677.36 would require Board approval.

The next lowest bidder is 13.5% higher than GFS on common bid items.

***Food purchasing abilities expire on February 28, 2009 at midnight.***

**Note: These costs, and all other expenses of the School Nutrition Program, are completely funded by the School Food and Nutrition Program revenue received from meals purchased and USDA reimbursement.**

# Minutes Bid Opening January 6, 2009

	Product and Specifications	Brand/Manufacturer - or Equivalent	Manufacturer Item #	Pack	Estimated Usage	Sysco Price	Sysco Extended Price	GFS Price	GFS Extended Price
100129	KETCHUP CAN 33% FCY	CROWN COLLECTION/RED GOLD	CRWY599	6-10 CAN SZ	45	16.82	756.9	16.98	764.1
100196	TOMATO PASTE CALIF 26%	HOUSE/NEIL JONES	47070	6-10 CAN SZ	6	29.39	176.34	26.85	161.1
100760	BEEF FRTRR BRD CKD CN LABEL, 2 M/MA PER SVG	HOUSE/ADVANCE	100760	62-3.8 OZ	100	15.85	1585	24.36	2436
100800	OATS QUICK HOT CEREAL	GILSTER-MARY LEE	36820	12-42 OZ	4	20.57	82.28	21.06	84.24
100830	BAR GRANOLA PNUT BTR& CHOC CHUNK 1 OZ	QUAKER/PEPSICO	05576	12-10 CT	35	23.25	813.75	21.66	758.1
101303	DOUGH ROLL CINN FRZER-OVN 200-1.5Z	PILLSBURY/GENERAL MILLS	05357	200-1.5 OZ	100	36.12	3612	35.86	3586
101656	SOUP CRM OF CHIX	HEINZ	434400	12-5 CAN SZ	10	37.81	378.1	35.66	356.6
101915	SOUP CRM OF MUSHRM	HEINZ	412400	12-5 CAN SZ	5	37.52	187.6	35.39	176.95
104955	CHIP NACHO CHS BKD 60-LSSV DORITOS	DORITOS/FRITO LAY	16936	60-1.38 OZ	120		2749.29	21.65	2598
105190	SNACK CHS CRNCHY	CHEETOS/FRITO LAY	32419	104-1 OZ	50	22.91	1145.5	22.58	1129
105210	PRETZEL TWIST TINY 88-SSV	ROLD GOLD/FRITO LAY	32430	88-1 OZ	16	17.56	280.96	17.35	277.6
105230	CHIP POT BKD 60-LSSV LAYS	LAYS/FRITO LAY	11201	60-1.13 OZ	100		21.3	21.01	2101
105240	CHIP POT BBQ BKD 60-LSSV	LAY'S/FRITO LAY	11199	60-1.13 OZ	100	11.97	1197	21.65	2165
105260	CHIP HARVEST CHEDDAR 104-SSV	SUNCHIP/FRITO LAY	11152	104-1 OZ	36	20.75	747	20.5	738
106593	PUDDING MIX CHOC INST	HOUSE/DIAMOND CRYSTAL	53103	12-24 OZ	5	19.14	95.7	19.4	97
106666	PUDDING MIX VAN INST	HOUSE/DIAMOND CRYSTAL	53102	12-24 OZ	5	21.35	106.75	19.4	97
107239	VINEGAR CIDER 4%	HOUSE/MIZKAN	9390110723	6-1 GAL	6		153.36	19.47	116.82
107247	VINEGAR, WHITE, 4%	HOUSE/MIZKAN		6-1GAL	6		78.12	12.54	75.24
108120	CHIPS POT CHED SR CRM BKD 60LSSV	RUFFLES/FRITO LAY	11216	60-1.5 OZ	75		1544.4		2020.95
108251	RICE, WHITE, LONG GRAIN 25#	UNCLE BEN'S/MARS	01101	1-25 LB	55	21.51	1183.05	21.31	1172.05
108286	SALT IODIZED	CARGILL	7499	1-25 LB	29	4.06	117.74	2.92	84.68
108413	STARCH CORN	ARGO/ACH	77132	24-1 LB	5	16.4	82	14.96	74.8
108693	SUGAR POWDERED 6X	HOUSE/INDIANA SUGARS	GFS025BOXP	1-25 LB	19		237.5	14.72	279.68
109711	SAUCE STEAK A-1	A-1/KRAFT	00003	24-5 FL OZ	5	42.49	212.45	39.75	198.75
110431	CRACKER GLDFSH CHEESE	PEPPERIDGE FARM/CAMPBELL	14367	300-0.75 OZ	25	42.37	1059.25	40.66	1016.5
110736	FLAVORING VANILLA IMITATION	HOUSE/FLAVORCHEM	93.447QT	1-1 QT	2	3.79	7.58	2.84	5.68
110949	COLORING FOOD RED	HOUSE/FLAVORCHEM	23.1451	1-1 QT	1	8.21	8.21	5.58	5.58
111023	COLORING FOOD EGG YELLOW	HOUSE/FLAVORCHEM	23.1271	1-1 QT	1	9.14	9.14	6.34	6.34
111961	MIX BEV LEMON	HOUSE/DIAMOND CRYSTAL	50529	12-22 OZ	5	18.55	92.75	26.78	133.9
112828	PAN COATING SPRAY	HOUSE/PAR-WAY	17428	6-17 OZ	17	15.5	263.5	17.71	301.07
113271	MARGARINE SLD	HOUSE/VENTURA FOODS	11199	30-1 LB	70	14.57	1019.9	13.83	968.1
113336	MILK PWD INST FAT FREE	HOUSE/DOT	1551	1-50 LB	6		284.4	64.26	385.56
113662	CUP FM 8Z	DART	8J8	40-25 CT	25	15.95	398.75	15.51	387.75
115177	FILM CUTTER BX 12"X2000' 1CT	ANCHOR	7329122	1-2000 FOOT	35	10.96	383.6	10.92	382.2
115193	FILM CUTTER BX 18"X2000' 1CT	ANCHOR	7329182	1-2000 FOOT	17	14.58	247.86	15.85	269.45
116475	APRON POLY PLAIN WHT 100CT	HOUSE	116475	100-1 EA	52	5.4	280.8	7.8	405.6
116637	FILTER COFF 12 CUP	BUNN/DOT	20115.001	2-500 CT	20	7.89	157.8	6.62	132.4
117773	APPLE SLCD, GRADE A, FANCY, WATER PACK	HOUSE	117773	6-10 CAN SZ	115	31.37	3607.55	31.34	3604.1
118265	FRUIT MIXED DCD LIGHT SYRUP	HOUSE/PACIFIC COAST PRODUCER	FM4	6-10 CAN SZ	100	33.48	3348	32.02	3202
118427	PEPPERS SWT GREEN DICED, WATER PACK	HOUSE/MOODY DUNBAR	340325	6-10 CAN SZ	25	42.35	1058.75	34.17	854.25
118516	POTATO GRANULES W/MILK	HOUSE/BASIC AMERICAN	118516	6-5.31 LB	50	44.5	2225	42.68	2134
118583	POTATO DICED, GRADE A	HOUSE/LAKESIDE FOODS		6-10 CAN SZ	60	21.77	1306.2	17.51	1050.6
118605	POTATO SWT CUT 40-55CT L/S	HOUSE/MOODY DUNBAR	796325	6-10 CAN SZ	70	26.35	1844.5	22.91	1603.7
118737	BEAN GREEN CUT, GRD A, 4 SIEVE	HOUSE / ALLENS	01316	6-10 CAN SZ	300	22.93	6879	18.9	5670
118761	BEAN KIDNEY, RED, FANCY, GRD A	HOUSE/FURMANO FOODS	280842	6-10 CAN SZ	325	17.91	5820.75	22.31	7250.75
118826	BEAN & PORK- NAVY BEANS IN TOMATO SAUCE	HOUSE	118826	6-10 CAN SZ	25	18.87	471.75	15.83	395.75
118885	BEET SLICED MED, GRADE A	HOUSE/LAKESIDE FOODS	118885	6-10 CAN SZ	5	20.54	102.7	17.94	89.7
118980	JUICE PINEAP 100%	SUNCUP/GREGORY	091001	72-4 FL OZ	100	11.91	1191	9.9	990

\*Please see attached sheet for additional items.

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119020	JUICE ORNG/PINEAP 100%	SUNCUP/GREGORY	091201	72-4 FL OZ	100	10.02	1002	9.73	973
119326	CAULIFLOWER, FRZN, GRADE A,FLORETS	HOUSE/MARBRAN	119326	12-2 LB	40		3177.6	21.6	864
119458	SWT PEAS/DICED CARROTS, GRD A	HOUSE		12-2.5LB	25	27.85	696.25	22.75	568.75
119474	SPINACH CHOPPED, FROZEN	HOUSE/PICTSWEET	11947	12-3 LB	15		561.6	28.31	424.65
119910	BAG FD STORAGE 5GAL 18X24"	HANDGARDS/DOT FOODS	FB24RM	250-1 EA	21	30.4	638.4	26.95	565.95
	BEEF PTY CHARB CN 100%								
	BEEF,PRECKD,CHARBROILED OVER FLAME AND								
120330	HEAT BRANDED, IQF	PIERRE	80124ACN	136-2.4 OZ	65	52.69	3424.85	45.87	2981.55
122200	APPLESAUCE NATURAL	KNOUSE FOODS, INC.	FFASN0500MUS01	72-4 OZ	75	21.95	1646.25	19.88	1491
122861	TRAY PPR FOOD 4Z	TRIUMPH/DOPACO	19049	4-250 CT	175	19.79	3463.25	19.07	3337.25
122900	TRAY PPR FOOD 8Z	TRIUMPH/DOPACO	19110	4-250 CT	235	23.86	5607.1	22.79	5355.65
122910	TRAY PPR FOOD 1#	TRIUMPH/DOPACO	19111	4-250 CT	200	29.16	5832	26.37	5274
122930	TRAY PPR FOOD 2.5#	TRIUMPH/DOPACO	19100	2-250 CT	75	36.78	2758.5	26.53	1989.75
123510	BAG FREN FRY 4.5x3.5"	TRIUMPH/BROWN PAPER GOODS	CTRI6129N	2000-1 EA	10		400	11.83	118.3
126400	SOUR CREAM CUP IND	PAULY/SCHREIBER	16036	100-1 OZ	100		1200	12.45	1245
126993	SPICE ONION POWDER	TRADE EAST/TONE'S	12699	1-19 OZ	10		47.41	4.39	43.9
129660	KETCHUP BIB 33% FCY	CROWN COLLECTIO/RED GOLD	CRWYA3G	1-3 GAL	40	14.13	565.2	13.08	523.2
132675	BLEACH A/P LIQUID FOR CLEANING	ARRAY/JAMES AUSTIN	41390	6-1 GAL	15	10.88	163.2	9.49	142.35
134643	PIZZA 4X6 PEPP PREBKD 96-5.6Z MAX	THE MAX/CONAGRA	007738712076	96-5.6 OZ	100	45.97	4597	42.58	4258
134990	NUTS, MIXED	HOUSE		4-2.5LB	5		401.5	30.79	153.95
135440	JUICE APPLE 100%	SUNCUP/GREGORY	090301	72-4 FL OZ	122	10.09	1230.98	8.45	1030.9
135450	JUICE ORNG 100%	SUNCUP/GREGORY	090100	72-4 FL OZ	100	10.82	1082	8.9	890
135460	JUICE GRAPE 100%	SUNCUP/GREGORY	090501	72-4 FL OZ	73	11.02	804.46	10.18	743.14
135470	JUICE FRT PUNCH 100%	SUNCUP/GREGORY	090801	72-4 FL OZ	147	10.76	1581.72	8.54	1255.38
141060	MAYONNAISE, LIGHT, PACKET	HOUSE		200-12GM	50	13.93	696.5	10.08	504
141510	POTATO TATER TOTS	ORE-IDA/MCCAIN FOODS	OIF00215	6-5 LB	910	21.58	19637.8	18.24	16598.4
147885	EGG SCRMBD LIQ MIX DELUXE	EASY EGGS/MICHAEL	46025-89400-00	15-2 LB	50	39.16	1958	32.38	1619
148067	BREADSTICK CHS STFD 5" 192-1.93 MXSTX	MAXSTIX/CONAGRA	007738712439	192-1.93 OZ	195	45.32	8837.4	43.29	8441.55
149195	PICKLE DILL SLCD HAMB	HOUSE/BAY VALLEY	12822891393	4-1 GAL	25	19.09	477.25	17.24	431
154630	NOVELTY FZ BAR JCE GRN APPLE	MINUTE MAID/J & J	4017	100-2.25 FL OZ	50	17.96	898	17.78	889
154640	NOVELTY FZ BAR JCE BLUE RASPBERRY	MINUTE MAID/J & J	4011	100-2.25 FL OZ	50	17.96	898	17.78	889
154660	NOVELTY FZ BAR JCE PNK LEMONADE	MINUTE MAID/J & J	4016	100-2.25 FL OZ	50	17.96	898	17.78	889
159204	SEASONING TACO MIX	LAWRY'S/UNILEVER	80110	6-9 OZ	40	10.02	400.8	16.58	663.2
159940	JELLY GRP PKT	HEINZ/PORTION PAC	159940	400-0.5 OZ	40	20.96	838.4	15.04	601.6
159950	MUSTARD PKT	HOUSE/HEINZ/PORTION PAC	159950	1000-5.5 GM	55	13.39	736.45	11.64	640.2
159970	MAYONNAISE PKT	HEINZ/PORTION PAC	159970	500-12 GM	140	31.86	4460.4	25.47	3565.8
160020	SAUCE SWT & SOUR DIPN CUP	PORTION PAC INC/HEINZ	0042550	200-1 OZ	10	28.78	287.8	14.13	141.3
160080	DRESSING RNCH BTRMLK PKT	HOUSE/HEINZ/PORTION PAC	160080	500-12 GM	75	14.72	1104	27.43	2057.25
160090	SYRUP PANCK IND CUP, MAPLE FLAVORED	HOUSE/HEINZ	160090	200-1.5 OZ	50	19.54	977	16.4	820
160790	BASE CHICKEN	KITCHEN ESSENTI/VENTURA	14372	12-1 LB	10	19.53	195.3	48.3	483
160810	BASE BEEF	KITCHEN ESSENTI/VENTURA	14373	12-1 LB	1	36.43	36.43	44.48	44.48
163020	CHIP TORTILLA, ROUND YELLOW	HOUSE	7770-0621	5-1.5 LB	315		3496.5	6.86	2160.9
163562	CHEESE CREAM LOAF	HOUSE/BONGRAIN	726PLFGS	10-3 LB	5	49.51	247.55	46.26	231.3
163760	CORN/BLK BEAN/ONION/PEPP MIX, FLM ROASTED	HOUSE		6-2.5 LB	10	27.08	270.8	21.98	219.8
164208	CHEESE AMER YEL LOAF PROC,PAST	GFS/ASSOCIATED MILK PRODUCER	12025GF	6-5 LB	150	75.31	11296.5	67.55	10132.5
164216	CHEESE AMER,PAST,PROCESSED 120CT SLCD	HOUSE/ASSOC MILK PROD INC.	11C63GF	4-5 LB	110	45.49	5003.9	45.39	4992.9
164259	CHEESE PARM GRATED, 100%, SHAKER TOP	PRIMO GUSTO/STERLING LTD.	40321	12-1 LB	23	46.34	1065.82	49.1	1129.3
166070	SUGAR PKT 1/11Z	HOUSE/DOMINO/SUGAR STIX	TA04471	3000-1 EA	2	14.15	28.3	12.5	25
166715	WRAP SAND WWXD 12X10.75	HANDY WACKS	T-12	6-1000 CT	12		1440	50.05	600.6
166766	CUP BAKING PPR 4.5" FLUT	REYNOLDS/ALCOA	TW452	20-500 CT	5		500	37.7	188.5

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168858	CONTAINER FM 4Z SQT	DART	4J6	20-50 CT	25	16.42	410.5	15.96	399
169331	LID VNTD 8,12,16Z FM	DART	20JL	10-100 CT	5	15.94	79.7	15.5	77.5
169633	GLOVE POLY LRG FS IMPRTD	ISLP/FOODHANDLER	104-GB6	10-100 CT	22	65.25	1435.5	5.58	122.76
170038	CONTAINER FM 12Z SQT	DART	12SJ20	20-25 CT	38	17.72	673.36	17.23	654.74
170680	YOGURT BERRY MIXED LOW FAT	DANNON	00116	12-6OZ	20	8.27	165.4	7.01	140.2
170730	YOGURT PEACH LOWFAT	DANNON	00620	12-6OZ	20	8.27	165.4	7.01	140.2
172588	PAD SCRUB HVY DUTY DK GRN 2-10 ARRAY	ARRAY/ACS SCRUBBLE	S86-ARRAY	3-12 CT	10	11.39	113.9		166.68
175770	CROISSANT SLICED 2.5Z	HOUSE/GOLD STANDARD BAKING	175770	6-10 CT	234	32.96	7712.64	28.2	6598.8
175994	PAPER PATTY DELI SQ 5.5"	HANDY WACKS	P-55	24-1000 CT	10	97.19	971.9	82.76	827.6
176550	FRENCH TOAST SMRT STIX	FARM RICH/RICH	68411	10-2 LB/280-1.14 OZ	100	20.46	2046	20.55	2055
177199	FOIL SHEETS 9X10.75"	ALCOA / REYNOLDS	711GF	6-500 CT	12	58.61	703.32	49.28	591.36
180912	FORK PLAS HVY WHT GOURM POLY	SOLO	SEL5FW/0007	1000-1 EA	5	25.65	128.25	33.43	167.15
182303	POTATO GRANULES BAG	IDAHOAN/SIMPLT	20435	12-26 OZ	50	47.29	2364.5	30.52	1526
183245	PEANUT BUTTER SMOOTH	HOUSE/CARRIAGE HOUSE	5687007	6-5 LB	15	39.86	597.9	43.48	652.2
185612	CUP SOUFF PLAS 4Z	HOUSE/PRAIRIE PACKAGING, INC.	S-400-GFS	10-250 CT	90	59.1	5319	54.6	4914
185639	LID SOUFF CLR 1.5,2,2.5Z	HOUSE/PRAIRIE	LS-2FR-GFS	25-100 CT	18	48.69	876.42	31.41	565.38
185647	LID SOUFF 3.25,4Z NO SLOT	HOUSE/PRAIRIE	LS-3FR-GFS	25-100 CT	25	60.87	1521.75	40.22	1005.5
185795	STRAW 5.75" WRPD MILK WHT 24-500 SOLO	SOLO	811wmx-2050	24-500 CT	10	62.45	624.5	33.02	330.2
186244	PUMPKIN FCY, GRADE A	HOUSE/SENECA	6164	6-10 CAN SZ	5	31.59	157.95	29.52	147.6
187090	THERM PCKT DIAL 0/+220	PELOUZE/RUBBERMAID	THP220C	1-1 EA	33	4.21	138.93	2.56	84.48
187130	THERM REF/FRZER -20/+80 1CT	PELOUZE/RUBBERMAID	R80GC	1-1 EA	10	6.59	65.9	2.63	26.3
187186	DRESSING FREN PKT	HOUSE/HEINZ/PORTION PAC	187186	200-12 GM	15	12.71	190.65	13.39	200.85
187208	DRESSING 1000 ISL PKT	HOUSE/HEINZ/PORTION PAC	187208	200-12 GM	15	13.08	196.2	13.5	202.5
188190	QUESADILLA CHEESE	THE MAX/CONAGRA	007738712531	48-5 OZ	75	28.6	2145	27.61	2070.75
188200	QUESADILLA CHIX & CHEESE	THE MAX/CONAGRA	007738712532	48-5 OZ	50	29.85	1492.5	28.37	1418.5
189944	PINEAPPLE SLCD IN JUICE, GRADE A	HOUSE/LIMSON	114502	6-10 CAN SZ	10	31.53	315.3	26.44	264.4
189952	PINEAPPLE CHUNKS IN JUICE, GRADE A	HOUSE/LIMSON	114511	6-10 CAN SZ	100	31.68	3168	25.54	2554
189979	PINEAPPLE TIDBITS IN JUICE, GRADE A	HOUSE/LIMSON	114520	6-10 CAN SZ	250	31.03	7757.5	25.47	6367.5
190152	POTATO SWT PTY CANDIED	CHILL-RIPE/ALLEN INC.	09004533	224-1.5 OZ	50	25.46	1273	27.46	1373
190985	PIZZA 4X6 PEPP STFD CRST	TONY'S/SCHWAN'S	78784	80-5.75 OZ	100	43.21	4321	41.48	4148
191090	SNACK CHEETOS, CHEESE BAKED	CHEETOS/FRITO LAY	021642	104-0.88 OZ	40	20.25	810	20.5	820
191736	MARSHMALLOW MINI, WHITE	HOUSE/DOUMAK	10093901191738	12-1 LB	10	15.32	153.2	14.85	148.5
192198	EGG DCD IQF	HOUSE/MICHAEL	93901-19219-00	4-5 LB	5	36.83	184.15	29.08	145.4
199133	SYRUP CHOCOLATE	HOUSE/LYONS	1435	6-10 CAN SZ	3	32.07	96.21	29.15	87.45
201618	PLATE FM 6" LAM WHITE	PACTIV	TK10006	8-125 CT	30	69.66	2089.8	22.9	687
201642	BOWL FM 12Z LAM WHITE	PACTIV	TK10012	8-125 CT	20	38.83	776.6	25.04	500.8
202110	COLORING FOOD BLUE	HOUSE/FLAVORCHEM	23.2021	1-1 QT	1		8.66	5.5	5.5
202932	YOGURT MIX ORNG CRM NONFAT	COLOMBO/GENERAL MILLS	22166	6-0.5 GAL	10	33.23	332.3	34.33	343.3
210358	CORN DOG CHIX MINI .67Z CN	FOSTER FARMS	96077	2-5 LB/240-0.67 OZ	110	21.95	2414.5	18.71	2058.1
211150	MARGARINE CUP SPREAD	COUNTRY CROCK/UNILEVER	50751	432-14 GM	250		9072	32.01	8002.5
214230	DRESSING HNY MSTRD	HOUSE/VENTURA FOODS	14145-GFS	4-1 GAL	44	45.61	2006.84	32.25	1419
219096	SAUCE, SWEET N SOUR	HOUSE		12-52 OZ	10		283.75	38.47	384.7
219401	CUP FM 12Z	DART	12J12	40-25 CT	38	22.62	859.56	21.99	835.62
219622	CONTAINER FM 8Z SQT	DART	8SJ12	20-50 CT	56	24.02	1345.12	23.35	1307.6
220530	TRAY PLAS 2CMPT NACHO 5X6	HOUSE/DART	C56NT2GFS	4-125 CT	125	63.81	7976.25	27.46	3432.5
222127	DOUGH ROLL CINN LRG 120-2.25Z RICH	RICH'S	03439	120-2.25 OZ	25	17.9	447.5	19.98	499.5
224111	JELLY GRAPE	SMUCKER'S		6-4 LB	11	28.52	313.72	26.65	293.15
224162	CAKE, CARROT/CRM CHZ ICING, 4-9" ROUND	HOUSE/SARA LEE		4-9"	10	117.47	1174.7	39.64	396.4
224456	PEACH HALVES, GRADE A, JUICE PACK	HOUSE/PACIFIC COAST	H440	6-10 CAN SZ	15	32.69	490.35	29.4	441
224588	TOPPING CHOC CONE DIP \	LYONS MAGNUS	12	6-10 CAN SZ	5	79.08	395.4	68.99	344.95

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224723	SPICE CINNAMON GRND	TRADE EAST/TONE'S	22472	1-15 OZ	10		53.16	5.25	52.5
224839	SPICE GARLIC POWDER	TRADE EAST/TONE'S	22483	1-21 OZ	35	6.77	236.95	6.94	242.9
224928	SPICE MUSTARD GRND	TRADE EAST/TONE'S	22492	1-14 OZ	1		4.15	3.81	3.81
225002	SPICE PAPRIKA SPANISH	TRADE EAST/TONE'S	22500	1-16 OZ	10		56.36	7.27	72.7
225045	SPICE PEPR BLK REG GRIND	TRADE EAST/TONE'S	22504	1-5 LB	10	18.11	181.1	37.99	379.9
225177	SPICE SAGE RUBBED	TRADE EAST/TONE'S	22517	1-6 OZ	10	7.53	75.3	6.93	69.3
226380	CHIP NACHO CHS BKD 88-.75Z DORITOS	DORITOS/FRITO LAY	20002	88-0.75 OZ	120	17.56	2107.2	17.35	2082
227528	FLOUR H&R ALL PURPOSE	HOUSE/BAY STATE	334500	2-25 LB	11	13.8	151.8	13.2	145.2
227749	PAN GRABBER, PT HOLDER,WRIST BND 81/2X11"	CHEF REVIVAL		2 CT	20	7.13	142.6	4.4	88
232912	CEREAL CORN FLKS BWL	KELLOGG	00196	96-0.75 OZ	20	24.1	482	23.29	465.8
234303	MOLASSES, PURE	PACKER LABEL/GROEB FARMS/GO	2000	4-1 GAL	2	37.84	75.68	28.7	57.4
240103	FRENCH TST CINN GLZD	WALDBAUM/MICHAEL	46025-85805-00	144-3.25 OZ	500		16560	65.67	32835
240303	TUNA CHNK LT IN WTR	KITCHEN ESSENTI/LIMSON	115002	6-66.5 OZ	50	50.97	2548.5	47.77	2388.5
241430	CONTAINER FM 3CMPT MED HNGD	HOUSE/GENPAK	SN243	2-100 CT	10	32.35	323.5	17.88	178.8
241440	CONTAINER FM 3CMPT LRG HNGD	HOUSE/GENPAK	SN203	2-100 CT	10	21.9	219	17.88	178.8
242440	GRAVY MIX TURKEY	HOUSE/DIAMOND CRYSTAL	57249	12-15 OZ	5		196.37	32.56	162.8
242450	GRAVY MIX BROWN	HOUSE/DIAMOND CRYSTAL	57247	12-15 OZ	7	18.4	128.8	31.4	219.8
243256	LID NO VENT 4Z,6Z	DART	6JLNV	10-100 CT	50	9.27	463.5	9.14	457
247197	CEREAL RAISIN BRAN BWL	KELLOGG	00896	96-1.25 OZ	23	24.1	554.3	23.29	535.67
248991	YOGURT MIX RASPB NONFAT	COLOMBO/GENERAL MILLS	22490	6-0.5 GAL	10	33.23	332.3	34.33	343.3
249710	MIX RASPB ICE ON THE GO	CRYSTAL LIGHT/KRAFT	00798	4-30 CT	100	23.9	2390	24.26	2426
249720	MIX LEMONADE ON THE GO	CRYSTAL LIGHT/KRAFT	00796	4-30 CT	100	23.9	2390	24.26	2426
251670	SNACK KID'S MIX MUNCHIE	QUAKER/FRITO LAY	363608	104-0.88 OZ	25	20.95	523.75	20.5	512.5
252570	PAN COATING SPRAY, BUTTER FLAVORED	HOUSE		8-13OZ	10		262.35	28.76	287.6
255521	KETCHUP PKT	HEINZ	984800	1000-9 GM	545	21.24	11575.8	20.35	11090.75
256137	CRACKER GRHM HNY LOW FAT	NABISCO/KRAFT	01368	200-2 CT	13	10.9	141.7	10.25	133.25
256935	PEAS SWT MXD SV, GRADE A	HOUSE/LODI	110-256935	6-10 CAN SZ	15	21.23	318.45	20.04	300.6
261475	BEAN PINTO,GRD A CANNED	HOUSE/LAKESIDE FOODS	261475	6-10 CAN SZ	250	17.54	4385	14.85	3712.5
262064	TURKEY HAM SMKD W/A 2-7#AVG PERD	PERDUE FARMS INC.	50408	2pc 14# avg/cs	75		2289	1.44	1512
263036	ONION DEHY CHPD	HOUSE/CONAGRA	1003636	1-15 LB	15		667.94	42.85	642.75
265039	FRANKS BEEF 8# 10#	HOUSE/KENT QUALITY FOODS	265039	1-10 LB/80-2 OZ	300	22.15	6645	15.83	4749
265543	SAUCE BBQ MILD	CATTLEMENS/RECKITT BENCKISER	4150005316	4-1 GAL	40	41.47	1658.8	35.14	1405.6
266256	MUSTARD YELLOW PREPARED	HOUSE/MIZKAN	9390126625	6-1 GAL	5	14.62	73.1	21.58	107.9
266566	SEASONING SALT	LAWRY'S/ BESTFOODS/201436	80623	2-5 LB	25		605	24.15	603.75
268577	PIZZA 4X6 PEPP 50/50	TONY'S/SCHWAN'S	78455	96-4.65 OZ	335	40.14	13446.9	39.18	13125.3
269115	DETRGNT POT & PAN LEMON	JOY/P & G	02301	1-5 GAL	20	55.2	1104	57.2	1144
269654	COCOA BAKING	HOUSE/A.D.M. COCOA /AMBROSIA	740335	6-5 LB	1	63.62	63.62	65.12	65.12
270393	PASTA NOODL EGG 1/8" MED	HOUSE/DAKOTA	9390127039	2-5 LB	100	10.7	1070	12.15	1215
270644	CRACKER SALTINE	KEEBLER/KELLOGG	01446	300-4 CT	100	11.68	1168	11.2	1120
271497	APPLESAUCE UNSWT,NATURAL,GRD A	HOUSE	271497	6-10 CAN SZ	400	21.28	8512	24.13	9652
271926	FOIL CUTTER BX STD 18"X500'	ALCOA / REYNOLDS	614GF	1-500 FOOT	27	22.97	620.19	20.94	565.38
273615	PUDDING CUP VAN	HANDI SNACK/KRAFT	02894	48-3.5 OZ	20	15.85	317	11.94	238.8
273623	PUDDING CUP CHOC	HANDI SNACK/KRAFT		48-3.5OZ	20	15.85	317	11.94	238.8
273937	SPICE BAY LEAF WHOLE	TRADE EAST/TONE'S	27393	1-2 OZ	5		13.63	5.58	27.9
273945	SPICE CUMIN GRND	TRADE EAST/TONE'S	27394	1-15 OZ	10		78.11	7.29	72.9
273996	SEASONING POULTRY	TRADE EAST/TONE'S	27399	1-10 OZ	1		8.5	6.58	6.58
278114	GLOVE RUBBER LRG YEL	ARRAY/IMPACT	8440L	2-1 EA	79		87.49	0.77	60.83
279447	COVER BUN PAN 21X6X35 CLR	NATIONAL PLASTEK	21-6-35-001	200-1 EA	46		2024	17.56	807.76
283640	BUTTERSCOTCH CHIP MINI 4000	HOUSE/KRISPAK	283640	4-4 LB	10		391.1	39.11	391.1
284882	JELLY ASST #4 PKT	SMUCKER'S	00774	200-0.5 OZ	100	11.2	1120	10.6	1060

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285620	CORN CUT IQF 30#, WHOLE KERNEL	HOUSE/ALLEN INC.	70082506	1-30 LB	300	25.93	7779	25.3	7590
285660	PEAS GREEN IQF, GRADE A, BRIGHT COLOR	HOUSE/LAKESIDE FOODS	285660	1-30 LB	25	27.58	689.5	23.03	575.75
285690	VEG MIXED, GRADE A	HOUSE/LAKESIDE FOODS	285690	1-30 LB	100	24.5	2450	22.67	2267
285720	VEGETABLE BLND/ORIENTAL, GRD A	HOUSE		1-30LB	15		2367	28.27	424.05
285770	VEG BLND WINTER, GRADE A	HOUSE/MARBRAN	285770	1-30 LB	45		6034	24.64	1108.8
286672	PIMIENTO DCD UNPLD	DUNBAR/MOODY DUNBAR	082001	24-2.5 CAN SZ	5	45.09	225.45	36.11	180.55
290908	CORNMEAL WHITE SELF RISING	WEISENBERGER MILLS	PEARL	1-25 LB	10	9.11	91.1	9.54	95.4
292559	BAG PPR WHITE 6#	AJM PACKAGING CORP.	WB06NP2M	4-500 CT	5	50.03	250.15	67.09	335.45
292702	OIL VEG SALAD CLR, LIQUID	HOUSE/CARGILL	61488	6-1 GAL	100	35.76	3576	41.76	4176
293431	SAUCE WORCESTERSHIRE	LEA & PERRINS/H J HEINZ	5160000001	12-10 FL OZ	2		60.76	24.88	49.76
294659	SAUCE BBQ PKT	PORTION PAC INC/HEINZ	0027810	200-12 GM	660	10.68	7048.8	6.37	4204.2
295078	TOWEL DISH BAR RIBBED 16X19"	BEST VALUE TEXT	700BRT28	12-1 EA	56		610.96	7.96	445.76
296053	WAFER VANILLA	SUNSHINE/KELLOGG	40865	6-13.3 OZ	6	6.38	38.28	8.02	48.12
298913	BEAN VEGETARIAN, GRD A, CANNED	HOUSE/HANOVER	298913	6-10 CAN SZ	300	28.36	8508	17.25	5175
300446	NAPKIN DISP DNNR JR 13X13" 12-500 GFS	HOUSE/SCA	820GF/D820	12-500 CT	1	52.59	52.59	34.44	34.44
302589	BOWL FM 4-SZ UNLAM WHITE	HOUSE/PACTIV	TH1G004	8-125 CT	187	29.62	5538.94	20.67	3865.29
303038	CUP PLAS 12Z TRANSLUCENT	HOUSE/FABRI-KAL CORPORATION	GF12	20-50 CT	5	30.27	151.35	25.35	126.75
303818	BAKING SODA	HOSPITALITY/GILSTER	35780	12-2 LB	3		45.48	10.46	31.38
304689	GLOVE POLY MED FS IMPRTD	ISLP/FOODHANDLER	104-GB4	10-100 CT	30		300	5.58	167.4
306347	SAUCE TOMATO MW	HOUSE/RED GOLD	GFSHA99	6-10 CAN SZ	75	16.17	1212.75	16.36	1227
307092	TOPPING WHIP	RICH'S	02014	12-32 OZ	6	25.41	152.46	33.8	202.8
310131	FRIES CRISSCUT, NATURAL	LAMB WESTON		6-4.4#	100	22.19	2219	18.81	1881
311227	LEMON JUICE 100%, GRADE A	HOUSE/CHERRY CENTRAL INC.	9390131122	12-32 FL OZ	5	18.48	92.4	26.47	132.35
313165	TOPPING WHIP PRE-WHIPED	RICH'S	01353	12-16 OZ	2	29.19	58.38	27.23	54.46
315974	TURKEY BRST CKD SKN-ON WHL 2PC GSIG	GORDON SIGNATUR/PERDUE FARM	31597	2pc 17# avg/cs	75		4755.75		2983.5
323233	VEG BLND CALIF, GRADE A	HOUSE/MARBRAN	323233	12-2 LB	100		2568	20.06	2006
325813	TRAY SCHOOL FOAMM 5CMPT VAN	GFS/PACTIV	TH5-G501	4-125 CT	275	34.71	9545.25	22.92	6303
329983	SPOON PLAS MED WT WHT FLX POLY 1M	SOLO	MOWT-0007	1000-1 EA	100	11.44	1144	10.76	1076
329991	FORK PLAS MED WHT FLX POLY	SOLO	MOWF-0007	1000-1 EA	106	11.44	1212.64	11.26	1193.56
330019	KNIFE PLAS MED WHT FLX POLY	DISPOZ-O/SOLO	MOWK-0007	1000-1 EA	7	28.37	198.59	11.68	81.76
331201	PORK HAM RST CKD 2PC GFS	GFS/CARGILL	7312010	2pc 29# avg/cs	50		1914		3335
331473	SPICE CHILI POWDER MILD	TRADE EAST/TONE'S	33147	1-16 OZ	70		405.66	5.54	387.8
335436	TRAY PLAS 4Z CLR OFFER VS SRV	REYNOLDS/ALCOA	R4296	2500-1 EA	116	28.45	3300.2	112.6	13061.6
335568	NOVELTY FZ BAR JCE CHRY	MINUTE MAID/J & J	3820	100-2.25 FL OZ	50	17.96	898	17.78	889
337650	CORN DOG TKY STIX CN	FOSTER FARMS	96101	72-4 OZ	110	24.76	2723.6	18.86	2074.6
338670	SNACK CHS BKD HOT CHEETOS	CHEETOS/FRITO LAY	30993	104-0.88 OZ	40	20.75	830	20.5	820
352730	SANDWICH PB&J STRAWB	UNCRUSTABLE'S/SMUCKER	6659	72-2.8 OZ	10	34.09	340.9	38.01	380.1
355460	TACO FILLING TURKEY CKD	COOPER FARMS/COOPER FOODS	10882469009209	4-5 LB	100		3152	31.52	3152
356540	COOKIE OREO 100CALORIE PK	OREO/NABISCO/KRAFT	00938	72-0.81 OZ	50	20.02	1001	18.62	931
359020	CARROT SLCD CRINKLE CUT, LRG, FRZN, GRADE A	HOUSE	023583005	1-30 LB	40	20.93	837.2	18.97	758.8
374538	TOPPING OREO CRUMB SML	OREO/KRAFT	02939	1-25 LB	7	65.92	461.44	60.82	425.74
386998	TRAY FM SNACK 5.5X8 WHT	PACTIV	TF102SO	4-125 CT	104	42.56	4426.24	18.2	1892.8
388190	CEREAL FRSTD FLKS 1/3 LESS SUGAR	KELLOGG	3800021861	96-1 OZ	155	24.1	3735.5	23.29	3609.95
398370	COFFEE REG BLEND	HOUSE/BOYD COFFEE	C888	160-1.5 OZ	7		459.2	58.5	409.5
398400	COFFEE DECAF BLEND	HOUSE/BOYD COFFEE	C885	160-1.5 OZ	2		148.51	62.47	124.94
399027	HOLDER POT SQ 8" BRN 1CT BVT	BEST VALUE TEXT	802TPH	1-1 EA	20		22.4	1.28	25.6
406881	CEREAL FROOT LOOPS 1/3 LESS SUGAR	KELLOGG	21863	96-0.67 OZ	221	24.1	5326.1	23.29	5147.09
408490	CHIX 8CUT ORIG FRD CKD,66 SVG/CS,MILD BREAD	TYSON	408490-321	1-10 LB	150	50.17	7525.5	27.77	4165.5
408960	WRAP WHEAT WHOLE 12-8CT	FLATOUT/PATTCO	WRWW7	12-8 CT	25	34.38	859.5	14.56	364
412240	HASHBROWN 3Z IQF	LAMB WESTON	G0105	6-3 LB	250	11.14	2785	10.56	2640

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413320	PASTA ELBOW MACARARONI	HOUSE/DAKOTA	9390113320	4-5 LB	60	16.83	1009.8	19.26	1155.6
413370	PASTA SPAGHETTI 10"	HOUSE/DAKOTA	9390141370	4-5 LB	185	16.33	3021.05	19.26	3563.1
413399	SEASONING SLOPPY JOE MIX	FLAVOR SHAKER/WIXON FONTAROI	12001247	1-27 OZ	1		18.56	5.13	5.13
413453	SEASONING SPAGHETTI ITALIAN	TRADE EAST/TONE'S	41345	1-12 OZ	75		563.14	6.12	459
415560	FRENCH BRD WGRAIN GARLIC	TONY'S/SCHWAN'S	78622	60-4.22 OZ	57	40.09	2285.13	40.36	2300.52
426288	SPROUT BRUSSEL MED, FROZEN	HOUSE/LAKESIDE FOODS	426288	12-2 LB	25	29.28	732	26.45	661.25
429406	MAYONNAISE HVY DUTY, LIGHT	HOUSE		4-1 GAL	25	29	725	24.62	615.5
430269	BAG SADDLE COOKIE CLR	ISLP/FOODHANDLER	21-561CO	2000-1 EA	4		455.04	30.73	122.92
431525	SUGAR CANE GRANULATED	HOUSE/ FOODS	404632	1-50 LB	30	21.65	649.5	19.63	588.9
438855	CLEANER GREASE RELSE H/D	ARRAY/U.S. CHEMICAL	4281006	4-1 GAL	20	47.97	959.4	37.98	759.6
441333	PLATE PPR 6" ECON WHITE	HOUSE	PP6KEEWH	10-100 CT	2		120	10.96	21.92
441953	CONTAINER PLAS 6" CLR SMRTLK	PACTIV	CI81160	4-125 CT	30	66.98	2009.4	57.87	1736.1
442003	PAD STEEL WOOL SOAP H/D	SOS/COLOROX COMPANY	88320	12-15 CT	22	36.51	803.22	29.14	641.08
444539	FRIES GENERATION 7 CRINKLE CUT, 1/2"	LAMB WESTON		6-4.5LB	500	23.91	11955	20.21	10105
445830	BAR CEREAL TRIX WHL GRAIN	GENERAL MILLS	42395	96-1 EA	20	25.2	504	24.63	492.6
449024	RELISH SWT PACKETS	HEINZ/PORTION PAC	531500	500-9 GM	1	22.19	22.19	21.55	21.55
449600	SPORK PLAS W/NAPKIN WHT 1M	DISPOZ-O	PSKF-12-1000	1000-1 EA	720	32.37	23306.4	21.32	15350.4
450866	NOVELTY FZ BAR JCE FRT PNCH	MINUTE MAID/J & J	3823	100-2.25 FL OZ	50	17.78	889	17.78	889
452841	SALSA, TOMATO	RED GOLD/RED GOLD	REDSC99	6-10 LB	20	22.38	447.6	21.57	431.4
453845	APPLE STIX BRD, FROZ, 25% BRDING	CHILL-RIPE/ALLEN INC.	12002533	6-2 LB	100	23.17	2317	24.11	2411
453852	APTZR VEG STIX BRD 30-32/LB	ALLEN INC.	99004533	6-2 LB	75	24.79	1859.25	22.79	1709.25
456152	DRESSING ITAL LIGHT PKT	MARZETTI	81985	60-1.5 OZ	34	7.28	247.52	7.04	239.36
457566	FRIES CRISSCUT, SEASONED	LAMB WESTON		6-4.5LB	100	23.04	2304	20.78	2078
462519	EGG PATTY FZ	HOUSE/MICHAEL	93901-46251-00	200-1 OZ	25	30.61	765.25	21.34	533.5
466891	SAUSAGE PTY CKD CN 1.5Z	JONES DAIRY FARMS	018753	1-10 LB	574	23.54	13511.96	17.7	10159.8
467596	MAYONNAISE HVY DUTY	HOUSE/VENTURA	11867-GFS	4-1 GAL	70	20.2	1414	26.94	1885.8
470716	HAM CKD LO SALT WATER ADDED	HAFNIA/TYSON	150366-0354	2-12 LB	25	2.46	61.5	67.11	1677.75
470732	CHEESE STRING STIX IND WRAPPED	HOUSE/SAPUTO	987977	160-1 OZ	230	3.08	708.4	48.24	11095.2
473308	DRESSING MIX RNCH	FOOTHILL/PRECISION	00101	18-3.2 OZ	30	25.09	752.7	15.24	457.2
	BEEF PTY CHARB, 100% BEEF, PRECOOKED CHARBROILED OVER FLAME AND HEAT BRANDED, IQF	PIERRE	87241	136-3 OZ	65	38.54	2505.1	37.25	2421.25
473314									
474347	BAKING POWDER DBL ACTION	RED STAR/LESAFFRE	15000	4-5 LB	1		25.4	36.08	36.08
476897	PICKLE SPEAR 400CT +/-25	SCHWARTZ/BAY VALLEY	29355010756	1-5 GAL	27	26.33	710.91	24.53	662.31
480061	SANITIZER SOFT-SERVE	SANI-SURE/JOHNSON/CONSUMER	90234	100-1 OZ	5	211.84	1059.2	43.55	217.75
483974	POCKET PIZZA PEPP IW	HOT POCKETS/NESTLE	4369503300401	24-4 OZ	25	14.66	366.5	14.95	373.75
487589	CHEESE SWISS 184CT HI FLVR	SCHREIBER FOODS	07049	4-5 LB	21	44.4	932.4	49.6	1041.6
487945	BRUSH PASTRY 2" NYLON W/HOOK	CARLISLE/CARLISLE	40401-02	1-1 EA	10	5.78	57.8	4.11	41.1
489832	LID DOME 7X9" PLATTER CLR	PACTIV	CI80045	500-1 EA	1	94.06	94.06	155.14	155.14
498297	LINER PAN QULLON 16.5X24.5	BROWN PAPER	0162-1	1000-1 EA	65	47.36	3078.4	33.89	2202.85
	BEEF CRMBL CKD 80/Z W/TVP, SIZE 1/4" MAX, 1 CASE YIELDS 290 2.2OZ SERVINGS = 1 M/MA	PRIMO GUSTO/CAPITOL		1-10 LB	400	19.47	7788	23.08	9232
499587		KARS/KAR NUT /HOUSE	8130	200-1 OZ	47		1592	35.3	1659.1
504180	SEED SUNFLWR KERNELS	TYSON/TYSON	6922-928	2-5 LB	25	33.23	830.75	31.84	796
505765	CHIX THGH STRP FAJT CKD 1/2"	QUAKER/PEPSICO	43950	125-1.4 OZ	5	23.73	118.65	24.8	124
507351	BAR BKFST OATML RAISN	HOUSE/KARO/ACH	75180	4-1 GAL	2	27.95	55.9	44.1	88.2
507415	SYRUP CORN LIGHT	GENERAL MILLS	11918	96-1 OZ	175	21.73	3802.75	21	3675
509396	CEREAL CHEERIOS HNYNUT BWL	GENERAL MILLS	11669	96-0.94 OZ	145	21.73	3150.85	21	3045
509426	CEREAL CHEERIOS APPLCINN BWL								
509661	FRIES WEDGE 8CUT CNTRY	ORE IDA/MCCAIN	OIF00024	6-5 LB	370	19.8	7326	18.27	6759.9

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509728	CHIX BRST PTY BRD O/RM, FULLY CKD CN-EA SERVING PROVIDES MINIMUM OF 20Z M/MA	TYSON	2379-928	60-3.53 OZ	500	21.2	10600	20.5	10250
510031	CLEANSER PWDR OXYGEN BLCH	ARRAY/FITZPATRICK BROS. INC	20135426421	24-21 OZ	10	20.61	206.1	17.49	174.9
511269	DOUGH ROLL WHEAT 240-1.5Z RICH	RICH'S	04300	240-1.5 OZ	450	30.2	13590	19.53	8788.5
513423	CHOC KO KO BITS 4000# BIB 25#	AMBROSIA/A.D.M.	853066	1-25 LB	5	47.22	236.1	31.15	155.75
513547	SUGAR SUB PKT SWT THING	DIXIE/DIAMOND CRYSTAL	11606	2-1250 CT	4	14.55	58.2	14.54	58.16
513628	SPICE BASIL LEAF	TRADE EAST/TONE'S	51362	1-5.5 OZ	1	20.49	20.49	4.24	4.24
513679	SPICE CELERY SEED GRND	TRADE EAST/TONE'S	51367	1-16 OZ	10	6.12	61.2	8.26	82.6
513695	SPICE GINGER GRND	TRADE EAST/TONE'S	51369	1-16 OZ	1	10.85	10.85	10.04	10.04
513725	SPICE OREGANO GRND	TRADE EAST/TONE'S	51372	1-12 OZ	1		12.33	6.87	6.87
513881	SPICE GARLIC GRANULATED	TRADE EAST/TONE'S	51388	1-24 OZ	10		76.98	8.09	80.9
513938	SPICE DILL WEED	TRADE EAST/TONE'S	51393	1-5 OZ	2	8.15	16.3	7.55	15.1
513989	SPICE PARSLEY FLAKES	TRADE EAST/TONE'S	51398	1-11 OZ	10		100.98	9.22	92.2
516112	FRIES 3/8" R/C CRISPY COAT	LAMB WESTON		6-5LB	500		12461.11	21.82	10910
517186	RELISH SWT PICKLE	HOUSE/BAY VALLEY	12803551393	4-1 GAL	5	24.51	122.55	22.98	114.9
518298	SEASONING FAJITA MIX	LAWRY'S/JUNILEVER	80091	6-8.9 OZ	35	20.43	715.05	19.13	669.55
521183	SEASONING CHILI MIX	LAWRY'S/JUNILEVER	80526	6-5.7 OZ	1	16.35	16.35	15.66	15.66
521213	CHIX BRST CHNK HMSTYL O/R	TYSON	2377-928	1-10.31 LB/250-0.66 OZ	64	19.98	1278.72	18.96	1213.44
521485	SAUCE CHEESE JALAPENO	THANK YOU/BAY VALLEY	79870520864	6-10 CAN SZ	65	40.66	2642.9	38.02	2471.3
522201	BEEF RND CKD SPLIT MED, WHOLE, CHOICE	HOUSE/CARGILL	7522200	2pc 18# avg/cs	75	3.71	278.25	2.94	220.5
524581	GELATIN MIX STRAWBERRY	HOUSE/DIAMOND CRYSTAL	53669	12-24 OZ	5	18.19	90.95	18.92	94.6
524603	GELATIN MIX RASPBERRY	HOUSE/DIAMOND CRYSTAL	53665	12-24 OZ	5	18.92	94.6	18.92	94.6
524611	GELATIN MIX CHERRY	HOUSE/DIAMOND CRYSTAL	53639	12-24 OZ	2	18.19	36.38	18.92	37.84
524638	GELATIN MIX ORANGE	HOUSE/DIAMOND CRYSTAL	53656	12-24 OZ	5	18.19	90.95	18.92	94.6
527629	CHIX DCD 1/2" 20%WHT CKD	HOUSE/TIP TOP	18310	1-10 LB	150	40.07	6010.5	20.81	3121.5
534765	CEREAL CHEERIOS BWL	GENERAL MILLS	11941	96-0.69 OZ	27	21.1	569.7	21	567
537705	DRESSING RNCH CUP	MARZETTI	83984	120-1 OZ	127	14.3	1816.1	13.69	1738.63
544426	RAISIN SELECT 1.5Z BOXES	PACKER LABEL/BOGHOSIAN	7261800013	24-6 CT/1.5 OZ	15	25.88	388.2	21.95	329.25
550736	PLATE FM 9" LAM WHITE	HOUSE/PACTIV	0TK1G009	4-125 CT	46	31.32	1440.72	22.32	1026.72
552658	BAR STRAWB NUTRIGRAIN	NUTRIGRAIN/KELLOGG	035945	3-16 CT	50	15.69	784.5	17.22	861
552666	BAR BLUEB NUTRIGRAIN	NUTRIGRAIN/KELLOGG	035745	3-16 CT	50	15.69	784.5	17.22	861
554461	MARGARINE CUP SPREAD	HOUSE/VENTURA	554461	648-14 GM	30		972	28.07	842.1
554461	MARGARINE, LIGHT CUP SPREAD-14 GM	HOUSE/COUNTRY CROCK			50	33.73	1686.5	28.07	1403.5
555967	TBLCVR PLAS WHT 54X108"	HOUSE/ATLANTIS PLASTICS	2TCCW108-12CC	12-1 EA	5		108.6	14.81	74.05
556858	CHIX WING CKD GLZD OF FIRE	TYSON		1-10#	300	34.02	10206	33.79	10137
556971	DOUGH ROLL FREN SUB DLX 60-6Z RICH	RICH'S	08790	60-6 OZ	65	25.36	1648.4	24.65	1602.25
563005	SAUCE CHEESE, CHEDDAR	HOUSE		6-10 CAN SZ	10	49.68	496.8	36.85	368.5
563310	CHIX FLLT CLUB BRD DELUX 4Z	CLUX DELUX/KINGS DELIGHT	14123	4-5 LB	150		11529	68.88	10332
563680	PIZZA 4X6 WGRAIN PEPP TKY 96-4.56Z	CONAGRA	12656	96-4.56 OZ	250	38.15	9537.5	35.93	8982.5
563691	PIZZA 4X6 WGRAIN CHS 96-4.56Z	CONAGRA	12655	96-4.56 OZ	250	36.24	9060	34.31	8577.5
563702	SHERBET CUP GRAPE	LUIGI'S/J & J	38443	96-4 FL OZ	50	18.72	936	18.72	936
563710	SHERBET CUP ORANGE	LUIGI'S/J & J	38440	96-4 FL OZ	50	18.72	936	18.72	936
564823	CONTAINER OFFER VS SERVE	PAR-PAK	21822	2500-1 EA	95	22	2090	25.88	2458.6
573051	COLORING FOOD GREEN	HOUSE/FLAVORCHEM	23.1331	1-1 QT	1		9.1	6.01	6.01
578061	SAUCE CHEESE, POWDERED, ADD WATER	HOUSE		16-1LB	15	51.57	773.55	45.06	675.9
582816	DRESSING RNCH FAT FREE PKT	MARZETTI	81976	60-1.5 OZ	90	10.58	952.2	10.14	912.6
582824	DRESSING 1000 ISL FF PKT	MARZETTI	81974	60-1.5 OZ	15	9.58	143.7	9.17	137.55
582832	DRESSING FREN CALIF FAT FREE	MARZETTI	81969	60-1.5 OZ	25	8.65	216.25	8.28	207
583049	DETRGNT LNDRY ALL TEMP	ARRAY/U.S. CHEMICAL	4283247	1-50 LB	50		3475	54.61	2730.5
585921	PIZZA 4X6 CHS WHL GRN 50/50	TONY'S/SCHWAN'S	78673	96-4.6 OZ	325	41.18	13383.5	39.41	12808.25

\*Please see attached sheet for additional items.



	Product and Specifications	Brand/Manufacturer - or Equivalent	Manufacturer Item #	Pack	Estimated Usage	Sysco Price	Sysco Extended Price	GFS Price	GFS Extended Price
585940	PIZZA 4X6 PEPP WHL GR 50/50 96-4.48Z	TONY'S/SCHWAN'S	78674	96-4.48 OZ	250	42.17	10542.5	40.39	10097.5
587338	ICE CREAM,VANILLA, PREM 12% BUTTERFAT	HOUSE		3 GAL	5	23.21	116.05	18.44	92.2
587427	SHERBET,ORANGE	HOUSE		3 GAL	5	15.06	75.3	12.36	61.8
588172	CHIX STK PHILLY THIN SLCD	ADVANCE	588172	48-4 OZ	50	38.58	1929	34.41	1720.5
590606	BAR APPLE NUTRIGRAIN	NUTRIGRAIN/KELLOGG	35645	3-16 CT/1.3 OZ	50	15.53	776.5	17.22	861
592714	SAUCE MARINARA A/P	REDPACK/RED GOLD	RPKNA99	6-10 CAN SZ	10	27.46	274.6	22.39	223.9
594960	PLATTER FM 7X9" OVL WHITE	SWEETHEART/SOLO	RS79PY 0007	500-1 EA	185	48.68	9005.8	38.8	7178
594962	BURRITO BF/BEAN TVP CN LABEL	LAMARCA/BAJA FOODS	8935	60-5.7 OZ	25	36.55	913.75	27.52	688
595675	HAM SMKHS RND H&W SHVNG 2PC	HOUSE/FARMLAND FOODS	93901595670	2pc 24# avg/cs	25		1776		864
600385	CEREAL CRISPIX BWL	KELLOGG	03596	96-0.75 OZ	28	24.1	674.8	23.29	652.12
600644	PASTA LASGN SHT FLAT CKD FZ	BERNARDI/WINDSOR/HOUSE	F74849	1-10 LB	15	17.51	262.65	15.52	232.8
607420	FRIES 3/8" C/C 6-4.5# MY FRIES	MY FRIES/LAMB WESTON	MY004	6-4.5 LB	1	29.13	29.13	24.99	24.99
607550	YOGURT STRAWB L/F 24-4Z DANIMALS	DANIMALS/DANNON	3550	24-4 OZ	640	7.97	5100.8	6.77	4332.8
607649	STIR-INS M&M PLAIN	MARS/T.R. TOPPERS	M350-102	2-5 LB	15		421.8	28.12	421.8
609226	SNACK FRT BY THE FOOT	GENERAL MILLS	11700	96-0.75 OZ	40	23.36	934.4	22.94	917.6
610267	PEACH SLCD IN JUICE, GRADE A,YELLOW CLR	HOUSE/DELMONTE	05102	6-10 CAN SZ	311	33.4	10387.4	30.46	9473.06
610275	PEAR HALVES IN JUICE, GRADE A	HOUSE	32530	6-10 CAN SZ	40	31.96	1278.4	29.24	1169.6
610399	PEAR SLCD IN JUICE, GRADE A	HOUSE	32540	6-10 CAN SZ	200	31.96	6392	29.24	5848
611689	CONTAINER FOIL 3CMPT W/LID	HFA/PACTIV	7239TP	250-1 EA	60		4147.8	69.13	4147.8
612316	EGG ROLL VEG 3Z	GOLDEN TIGER/WINDSOR	F51615	4-18 CT/72-3 OZ	15	37.29	559.35	31.59	473.85
617650	PANCAKE WHL GRAIN	AUNT JEMIMA/PINNACLE	43582	12-12 CT/1.2 OZ	50	12.52	626	17.2	860
618152	DOUGH BISC STHRN STYLE	PILLSBURY/GENERAL MILLS	06252	216-2.2 OZ	900	31.62	28458	30.62	27558
621690	STIR FRY KIT ORANGE CHICKEN	SCHWAN'S	69433	4-20 CT/80-4 OZ	250	72.9	18225	69.76	17440
624010	PIZZA STHWEST WGRAIN	THE MAX/CONAGRA		72-5.9 OZ	25	45.14	1128.5	44.05	1101.25
628100	FRIES SWT POT DP GROOVE 7/16"	MCCAIN	04566	6-2.5 LB	100	23.81	2381	22.8	2280
649910	BAG FOLD TOP SANDWICH 7X7	HOUSE/ALCOA	GKL01620-8	4-1000 CT	185		14800	20.7	3829.5
662186	CEREAL FRSTD MINI WHEATS BWL	KELLOGG	04996	96-1 OZ	48	24.1	1156.8	23.29	1117.92
662440	BEEF STK,PHILLY MRNTD	HOUSE/ADVANCE		40-4OZ	25	30.17	754.25	24.72	618
666925	CLEANER OVEN NON CAUSTIC 6-24Z EASYOFF	EASY OFF/RECKITT BENCKISER	6233874017	6-24 OZ	15	26.86	402.9	28.2	423
673366	BROCCOLI FLORETS, FROZEN, GRADE A	HOUSE/MARBRAN	673366	12-2 LB	170	27.08	4603.6	23.77	4040.9
680320	PAN FOIL 9" RND PIE	HFA	304-40-200	200-1 EA	5		250	25.21	126.05
680511	PIZZA CHS TWSTD EDG 72-5.9Z THEMEX	THE MAX/CONAGRA	12622	72-5.9 OZ	250	45.76	11440	44.15	11037.5
680520	WRAP CHILI CHEESE	THE MAX/CONAGRA	12646	60-4.8 OZ	20	31.15	623	30.35	607
680533	PIZZA 3 MT TWST EDGE	THE MAX/CONAGRA	12621	72-5.9 OZ	25	42.64	1066	43.04	1076
688850	STRAW WHT/RED JMBO 7.75" 50-250CT	SOLO	12820-0222	24-500 CT	10	53.41	534.1	32.39	323.9
695734	TEA BAG ICED (1Z=1GAL)	TETLEY	69573	96-1 OZ	15	14.23	213.45	13.75	206.25
696800	PIZZA NACHO 5" 50/50 80-4.51Z TONY	TONY'S/SCHWAN'S	78805	80-4.51 OZ	100	42.43	4243	40.71	4071
699047	CUP MUNCHIE PPR 2.5Z	SWEETHEART/SOLO CUP COMPANY	GF2400645	20-50 CT	96	54.78	5258.88	83.74	8039.04
702161	POLLOCK NUG CRNCHY .5Z O/R 6-3# NORS	NORSEA/ICELANDIC	22897	6-3 LB	50		1926	37.52	1876
711803	FLAT EARTH VEGGIE CRISPS - 1 OZ SVG	FLAT EARTH			25		372.5	14.9	372.5
711823	FLAT EARTH FRUIT CRISPS - 1 OZ SVG	FLAT EARTH			25		372.5	14.9	372.5
719010	PIZZA TWST EDGE, CHICK SICILIAN	THE MAX/CONAGRA		72-5.9 OZ	25	47.84	1196	46.69	1167.25
720801	PIZZA STICK PEPP IW 48-3Z HPOCK	HOT POCKETS/NESTLE	05300	48-3 OZ	75	19.42	1456.5	19.2	1440
722110	CHEESE SAUCE/QUESO BLANCO	JTM		6-5LB	25	83.01	2075.25	37.1	927.5
728373	PICKLE KOSH WHOLE	SCHWARTZ/BAY VALLEY	29655220756	1-5 GAL	5	23.49	117.45	21.22	106.1
731366	CHEESE MOZZ 2% SHRD FTHR	HOUSE/STERLING LTD.	731366	4-5 LB	39		2318.94	45.97	1792.83
761664	SYRUP CARAMEL	ITALIA D'ORO/BOYD COFFEE	8794	6-32 FL OZ	2		51.61	32.88	65.76
765457	TREAT RICE KRISPIE 1.3Z	KELLOGG	26547	4-20 CT/1.3 OZ	13	29.06	377.78	28.42	369.46
767018	NOVELTY FZ BAR JCE ORANGE	MINUTE MAID/J & J	3821	100-2.25 FL OZ	50	17.78	889	17.78	889
767026	NOVELTY FZ BAR JCE GRAPE	MINUTE MAID/J & J	3822	100-2.25 FL OZ	50	17.78	889	17.78	889

\*Please see attached sheet for additional items.

	Product and Specifications	Brand/Manufacturer - or Equivalent	Manufacturer Item #	Pack	Estimated Usage	Sysco Price	Sysco Extended Price	GFS Price	GFS Extended Price
776831	CHEESE CHED SHRD FINE	PACKER LABEL/STERLING LTD.	776831	4-5 LB	200	39.64	7928	45.33	9066
778656	CHIX POPCORN BITE BUFF, 18PC=2OZ CN M/MA	TYSON	8353-0928	2-5 LB/440 CT AVG	700	26.5	18550	25.63	17941
791369	SAUCE MSTRD HNY DIJON PKT	PORTION PAC INC/HEINZ	AW06945	100-1 OZ	65	16.65	1082.25	6.37	414.05
791989	YOGURT MIX VANILLA NONFAT	COLOMBO/GENERAL MILLS		6-0.5GAL	10	33.86	338.6	32.02	320.2
791997	YOGURT MIX CKY&CRM NONFAT	COLOMBO/GENERAL MILLS	22168	6-0.5 GAL	15	33.86	507.9	34.33	514.95
792039	YOGURT MIX PNUT BTR LOWFAT	COLOMBO/GENERAL MILLS	21587	6-0.5 GAL	10	33.86	338.6	34.33	343.3
792683	GRAVY MIX BISC PEPPERED	PIONEER/C H GUENTHER	9472-2	6-1.5 LB	130	16.53	2148.9	15.84	2059.2
793205	CHIX POPCORN BITE BRD ORIG,18PC=2OZ CN M/MA	TYSON/TYSON	3034-928	2-5 LB/400 CT AVG	500	25.15	12575	24.09	12045
818674	TEST STRIP SANITIZER CHLORINE 1ROLL	BLUE RIDGE TEST PAPERS		1-1 EA	20	4.33	86.6	4.6	92
820334	TURNOVER APPLE	PILLSBURY/GENERAL MILLS	05188	60-3.7 OZ	15	33.72	505.8	32.19	482.85
827991	YOGURT MIX WHT CHOC MOUSSE NONFAT	COLOMBO/GENERAL MILLS	00541	6-0.5 GAL	11		352.22	32.02	352.22
833258	JUICE, WHITE GRAPE, 100%	HOUSE/WELCH'S		12/46OZ	4		132.39	25.92	103.68
833738	CUP SOUFF PLAS 2Z TRANSLUCENT	HOUSE/PRAIRIE PACKAGING,INC.	S-200-GFS	10-250 CT	42	37.92	1592.64	33.96	1426.32
838284	YOGURT MIX O/W CHOC LOW FAT	COLOMBO/GENERAL MILLS	21279	6-0.5 GAL	5	33.86	169.3	32.02	160.1
843342	CRACKER GRHM ELF CHOC CHIP	KEEBLER/KELLOGG	40225	150-1 OZ	10	23.96	239.6	23.15	231.5
846775	SUGAR BROWN	PACKER LABEL/MICHIGAN SUGAR	520238	1-50 LB	17	25.01	425.17	23.85	405.45
847119	SNACK FRT GUSHER STRAWB	GENERAL MILLS	11503	96-0.88 OZ	45	23.58	1061.1	22.94	1032.3
852759	SAUCE SPAGHETTI FANCY	REDPACK/RED GOLD	RPKMA9C	6-10 CAN SZ	85	21.01	1785.85	20.44	1737.4
869902	MEATBALL, BEEF,CKD, 1OZ EA	HOUSE		5-4LB	50		2740	37.21	1860.5
946724	CELERY 3/8" DICED, COOKED	DOT	0254235702	6-10 CAN SZ	10		329.5	32.95	329.5
978754	BKFST PIZZA-SAUS/GVY	MAXSTIX/CONAGRA			100		3708	37.08	3708
996111	CLEAR CONTAINER, HINGED, 9"	DART	C90HT1	2-125 CT	334	78.94	32565	51.47	17190.98
131280 *	PIZZA 7" PEPP W/ BOX 3-16CT PRFPRFCT	PROOF PERFECT/SCHWAN'S	73163	3-16 CT/7.95 OZ	300	61.78	18534	59.33	17799
170770 *	YOGURT STRAWB-BAN LT	DANNON	00621	12-6 OZ	20	8.42	168.4	7.01	140.2
266523 *	DRESSING RNCH BTRMLK	MARZETTI	81992	120-1.5 OZ	147	21.21	3117.87	19.36	2845.92
561789 *	PIZZA BKFST BGL SAUS 96-2.6Z TONY	TONY'S/SCHWAN'S	78700	96-2.6 OZ	125	37.54	4692.5	36.14	4517.5
921155 *	CINNAMON ELF GRAHAMS	KELLOGG	40221	150-1 OZ	14	23.96	335.44	29.62	414.68
	CHIX BRST FNGR BRD,COOKED 1Z CN/CKN								
	BRST/RIB, 3 PCS=2OZ M/MA	TYSON		6-5LB	350		39900	54.2	18970
	CHIX BRST PTY BRD O/R,FULLY CKD CN-EA SVG								
	PROVIDES 2 OZ M/MA,BUFFALO	TYSON		6-5LB	100		11610	50.97	5097
	CHIX FRENCH FRIED STRPS, FULLY CKD,CN 8=2OZ								
	M/MA	TYSON		1-20LB	150		6066	29.06	4359
							\$1,002,907.02		\$884,677.36



## AGENDA ACTION FORM

### Consideration of a Resolution Authorizing the Mayor to Sign a Technical Services Agreement with Marriott Hotel Services, Inc.

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Action Form No.: AF-45 -2009  
 Work Session: February 16, 2009  
 First Reading: N/A

Final Adoption: February 17, 2009  
 Staff Work By: Campbell, Mason  
 Presentation By: Campbell/Billingsley

**Recommendation:** Approve the resolution.

#### **Executive Summary:**

The expansion of the MeadowView Conference and Convention Center must be constructed pursuant to the standards required by Marriott for properties it manages. To that end, the parties are negotiating a Technical Services Agreement. Essentially the Agreement will hire Marriott to provide technical expertise and input for the plans of the facility. This will include input on interior design, plumbing mechanic and electrical, and life safety issues. The city entered into this type agreement with Marriott when the city originally built the Conference and Convention Center. The cost for this service is \$90,000. The service will ensure that the facility is built to the system standards required by Marriott.

The attached resolution authorizes the mayor to sign the agreement. The agreement is still in draft form, and a copy is attached. The parties are still working out some of the details of the agreement. The final form of the agreement will not be executed by the Mayor until it is satisfactory to the city manager and city attorney. However, passage of this resolution authorizing the mayor to sign such agreement will avoid any further delay in the completion of the plans for the expansion.

#### **Attachments:**

1. Resolution
2. Draft of the Agreement

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE MAYOR TO  
EXECUTE A TECHNICAL SERVICES AGREEMENT  
WITH MARRIOTT HOTEL SERVICES, INC.

WHEREAS, the expansion of the MeadowView Conference and Convention Center requires construction of the facility to be in accordance with the standards required by Marriott for properties it manages; and

WHEREAS, the parties are negotiating a Technical Service Agreement which allows Marriott Hotel Services, Inc. to provide technical expertise and input for the plans of the facility including input on interior design, plumbing, mechanic and electrical, and life safety issues; and

WHEREAS, the service will ensure that the facility is built to the system standards required by Marriott; and

WHEREAS, the cost of for the service is \$90,000.00 plus some reimbursable expenses; and

WHEREAS, the parties are still working out some details of the agreement; and

WHEREAS, the final form of the agreement will not be executed until it is satisfactory to the City Manager and the City Attorney; and

WHEREAS, passage of this resolution will avoid delay in the completion of the plans for the expansion.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the Mayor, or in his absence, incapacity, or failure to act, the Vice Mayor, is authorized to execute, in a form approved by the City Attorney and subject to the requirements of Article X, Chapter 10 of the Charter of the City of Kingsport, a Technical Services Agreement with Marriott Hotel Services, Inc., in the amount of \$90,000.00 plus reimbursable expenses, allowing Marriott to provide technical expertise and input for the plans of the MeadowView Conference and Convention Center expansion project.

SECTION II. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 17th day of February, 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, CITY ATTORNEY

## **TECHNICAL SERVICES AGREEMENT**

**THIS TECHNICAL SERVICES AGREEMENT** ("Agreement") is entered into this [ ] day of [ ], 2009 ("Effective Date"), by and between **THE CITY OF KINGSPORT**, a municipal corporation existing under the laws of the State of Tennessee (the "City"), and **MARRIOTT HOTEL SERVICES, INC.**, a Delaware corporation ("Management Company").

### **RECITALS**

WHEREAS, the City, Kingsport Hotel, L.L.C., a Tennessee limited liability company ("Hotel Owner") and Management Company are parties to that certain Management Agreement, dated as of January 1, 1995, as amended by that certain First Amendment to Management Agreement, dated as of August 6, 2002 (as amended from time to time, the "Management Agreement"), pursuant to which Management Company manages and operates the conference and convention center portion of the Meadowview Conference Resort and Convention Center located in Kingsport, Tennessee (as further defined in the Management Agreement, the "MC3");

WHEREAS, the City intends to expand the MC3 by constructing an executive conference center (currently anticipated to include an approximately 5,000 square foot ballroom, an approximately 1,160 square foot board room, two smaller board rooms of approximately 630 square feet each, a three-level parking deck to include 137 spaces, a small amphitheatre with seating for 57, a large amphitheatre with seating for 136 and related spaces and facilities) adjacent to the existing MC3 building (the "MC3 Expansion"); and

WHEREAS, the City and Management Company have agreed upon certain technical services to be provided by Management Company with regard to: (i) the City's design and construction of the MC3 Expansion; and (ii) the City's design and procurement of the furniture, fixtures, systems and equipment for the MC3 Expansion.

NOW, THEREFORE, the City and Management Company, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

### **ARTICLE 1**

#### **DEFINITIONS AND GENERAL MATTERS**

1.1 Definitions. All terms not defined in this Agreement shall have the meanings ascribed to them in the Management Agreement, which is incorporated herein by this reference.

"Affiliate" shall mean, as to any Person, any other Person that, directly or indirectly, controls, is controlled by or is under common control with such Person. For purposes of this definition, the term "control" (including the terms "controlling," "controlled by" and "under

common control with”) of a Person means the possession, directly or indirectly, of the power: (i) to vote more than fifty percent (50%) of the voting stock or equity interests of such Person; or (ii) to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting stock or equity interests, by contract or otherwise.

“Agreement” shall mean this Technical Services Agreement.

“Amendment” shall have the meaning ascribed to it in the Recitals.

“Audio/Video Systems” shall mean the following systems: general audio and video systems (audio/video) for the MC3 Expansion, entertainment audio/video systems, video information systems, public address systems and the master antenna television distribution system.

“Budget” shall have the meaning ascribed to it in Section 3.1 of this Agreement.

“City” shall have the meaning ascribed to it in the Preamble.

“Completion Date” shall have the meaning ascribed to it in Section 6.1.

“Completion Structure Close-In” shall mean the date on which the building shell of the MC3 Expansion has reached that stage in progress where the work has been completed in accordance with the approved Plans and in compliance with any and all applicable Legal Requirements.

“Decorative Items” shall mean (by way of example, but not limitation) artifacts, artwork, banquettes, carpeting, decorative lighting fixtures, etched glass, furniture, graphics, interior landscaping, radios, signage, televisions and window treatments.

“Effective Date” shall have the meaning ascribed to it in the Preamble.

“Exterior Identity Signage” shall mean exterior illuminated or non-illuminated signs for identification of the MC3, such as wall-mounted building signs, pylon signs and ground-mounted monument signs.

“Graphics” shall mean food and beverage logos; name/number signs for meeting rooms, convention/exhibition space, board rooms, conference suites and other MC3 Expansion areas; all directional signs; exterior signs except Exterior Identity Signage; evacuation signs; elevator, handicapped, fire stair, and elevator restriction signs; miscellaneous directional and loss prevention/safety signs; and all signs required by or for municipal, department of transportation, fire safety, or other jurisdictional authority for the operation of the MC3.

“Hotel Owner” shall have the meaning ascribed to it in the Recitals.

"Housekeeping Equipment" shall mean stationary equipment items (including glass washer) to be used by MC3 employees for cleaning the MC3 Expansion on a regular basis.

"Legal Requirement(s)" shall mean any federal, state or local law, code, rule, ordinance, regulation or order of any governmental authority or agency having jurisdiction over the business or operation of the MC3 or the matters which are the subject of this Agreement, including, without limitation, the following: (i) any building, zoning or use laws, ordinances, regulations or orders; and (ii) environmental laws.

"Management Agreement" shall have the meaning ascribed to it in the Recitals.

"Management Company" shall have the meaning ascribed to it in the Preamble.

"Marriott" shall mean Marriott International, Inc., a Delaware corporation, and its successors and assigns.

"Marriott Company(ies)" shall mean Management Company, Marriott, and any Affiliate of Management Company or Marriott.

"Marriott Design Guide" shall mean the "Marriott Hotels & Resorts – North America (U.S. & Canada) – Design Standards," dated January 2009, as revised from time to time, published by Marriott's Architecture and Construction Division.

"MC3" shall have the meaning ascribed to it in the Recitals.

"MC3 Expansion" shall have the meaning ascribed to it in the Recitals.

"Person" shall mean an individual (and the heirs, executors, administrators, or other legal representatives of an individual), a partnership, a corporation, limited liability company, a government or any department or agency thereof, a trustee, a trust and any unincorporated organization.

"Plans" shall have the meaning ascribed to it in Section 2.1.3 of this Agreement.

"Pre-Opening Expenses" shall mean those expenses incurred prior to and after the Completion Date that are necessary for the preparation of the expanded MC3 for operation, including, but not limited to, salaries and wages, costs of interim office space, furniture, equipment and systems, professional fees, telephone expenses, staff hiring and training costs, travel and moving expenses, costs of entertainment, opening celebrations and functions (including food, beverage, labor and room accounts of invitees), the cost of heat, light, power and clean-up expenses not chargeable to the cost of acquiring or constructing the expanded MC3, advertising, public relations and promotion expenses, employee benefits and meals prior to opening, classified advertising, agency fees and recruitment costs, pro rata costs of Management Company or its Affiliates in performing such services including personnel costs and expenses allocated in a reasonable manner, and other associated and miscellaneous expenses. The term



"Pre-Opening Expenses" shall include out-of-pocket cancellation penalties and the cost of other contractual obligations, as well as all relocation costs and expenses, in the event Management Company reasonably determines that it must cancel reservations made for MC3 facilities as a result of any delay or postponement of the Completion Date.

"Prime Rate" shall mean the "prime rate" of interest announced from time to time in the "Money Rates" section of the *Wall Street Journal* (Eastern Edition).

"Project" shall mean the project that encompasses the design, construction, furnishing and equipping of the MC3 Expansion.

"Punchlist Items" shall have the meaning ascribed to it in Section 2.3.2 of this Agreement.

"Reimbursable Expenses" shall mean the actual expenses incurred by Management Company or its Affiliates, directly or indirectly, in connection with providing technical services pursuant to this Agreement, whether before or after the execution of this Agreement, including, but not limited to: transportation and lodging and meals incidental thereto; telephone calls, telegrams, postage and use of courier services; and photocopying and reproduction by other means of reports, drawings, specifications and similar Project-related documents.

"Second Request" shall have the meaning ascribed to it in Section 2.4 of this Agreement.

"Submittals" shall have the meaning ascribed to it in Section 2.2.3 of this Agreement.

"Substantial Completion" or "Substantially Complete" shall mean (i) substantial completion of the Project in conformance, in all material respects, with the Plans, System Standards and the requirements of this Agreement (other than minor punchlist items, which will not individually or in the aggregate impair the use of the MC3 Expansion for its intended use, or impair the MC3 Expansion guests' experience) and free of all liens; (ii) making available to Management Company all Fixed Asset Supplies and Inventories, and installing all FF&E and Systems, as required for the operation of the MC3 Expansion in accordance with the Management Agreement and this Agreement and for the MC3 Expansion to conform with clause (i) above; provided, however, if the City contracts with Management Company or an Affiliate of Management Company to procure FF&E and/or Fixed Asset Supplies required for the operation of the MC3 Expansion, and Management Company or such Affiliate is in default under the terms of such procurement contract, the availability of such FF&E and/or Fixed Asset Supplies shall not be required for Substantial Completion of the Project; and (iii) the City has obtained required permits as set forth in Section 2.2.4 below required for the opening of the MC3 Expansion.

"System Standards" shall mean any one or more (as the context requires) of the following three (3) categories of standards: (i) operational standards (for example, services offered to guests, quality of food and beverages, cleanliness, staffing and employee compensation and benefits, etc.); (ii) physical standards (for example, quality of the improvements, FF&E, and Fixed Asset Supplies, frequency of FF&E replacements, etc.); and (iii) technology standards (for

example, those relating to software, hardware, telecommunications, high speed internet access, systems security and information technology); each of such standards shall be the standard which is generally prevailing or in the process of being implemented at other similar facilities in the Marriott Hotel System, including all services and facilities in connection therewith that are customary and usual at similar facilities in the Marriott Hotel System. "System Standards" shall include the Universal Criteria promulgated by the International Association of Conference Centers, to the extent such criteria are more stringent than the standards identified in clauses (i) – (iii) above.

"Systems" shall mean computer and electronic management systems, including front office, back office and accounting management systems; reservations system; Management Company's automated payroll system; point-of-sale systems, including food, beverage and retail functions; word processing and personal computer applications.

"Technical Services Fee" shall have the meaning ascribed to it in Section 4.2 of this Agreement.

"Telecommunications Systems" shall mean PBX systems and call accounting and pocket paging systems.

"Termination" shall mean the expiration or sooner cessation of this Agreement.

1.2 Project Schedule. The City has provided Management Company with a schedule for the Project which is attached hereto as Exhibit A. The City shall update such schedule during the course of the Project, as required, or as reasonably requested by Management Company. In addition, the City shall designate a representative through whom Management Company may coordinate Management Company's activities pursuant to this Agreement, and Management Company shall designate a representative through whom the City may coordinate the City's activities pursuant to this Agreement. The City shall provide Management Company with the names and other information reasonably requested by Management Company of the City's architect, interior designer and other Project consultants, in each case for Management Company's review and approval.

## **ARTICLE 2**

### **TECHNICAL SERVICES**

#### **2.1 Pre-Construction Period**

2.1.1 Preliminary Information Phase. The City acknowledges that Management Company has previously made available to the City: (i) the System Standards and the Marriott Design Guide for use by the City's design team; and (ii) other design guides and information describing the standards that Management Company requires for the MC3 Expansion, including life safety requirements and other relevant requirements.

2.1.2 Design Development Phase. The City shall, based upon and incorporating the information provided in the materials described in Section 2.1.1 above, prepare or cause to be prepared: (i) a detailed listing of each operating function of the MC3 Expansion and the as-designed areas, and any other documents required to describe the size, layout and quality of the MC3 Expansion; (ii) a vicinity/location map indicating vehicular traffic directions, ingress and egress points and major surrounding developments and transportation centers; (iii) a colored site plan showing all site elements and proposed landscaping (at a minimum scale of 1"=30'); (iv) floor plans (at a scale of 1/8"=1'); (v) other major features (in 1/4" scale); (vi) building elevations and sections, showing exterior materials, details and colors and all building signs; (vii) a rendered perspective drawing (in color) of the MC3 Expansion; and (viii) a sample board showing the proposed exterior materials with a large scale colored partial elevation. The City understands that these materials will be used as presentation materials for the approval of the design of the MC3 Expansion by Management Company, and the City shall revise and amend such presentation materials as required to obtain final approval of the design of the MC3 Expansion by Management Company.

2.1.3 Final Design Phase. Upon Management Company's approval of the materials submitted by the City pursuant to Section 2.1.2 above, and based upon the designs therein approved by Management Company, the City shall cause the City's architect to produce plans, specifications and complete construction drawings (including, without limitation, architectural, electrical, plumbing, HVAC, structural, civil engineering and landscape drawings) (collectively, the "Plans") which shall be properly sealed by the City's architect. The Plans shall (i) adapt Management Company's standards and specifications to the MC3 Expansion and to the legal requirements applicable to the design, construction and operation of the MC3 Expansion, and (ii) incorporate the System Standards. The Plans (other than structural) shall be submitted to Management Company for approval at least thirty (30) days prior to commencement of construction of the MC3 Expansion. Following Management Company's approval of the Plans, no change in such Plans shall be made that materially affects the design, construction, operation, cost or aesthetics of the MC3 Expansion (as related to the scope of Management Company's approval of such areas), without the prior approval of Management Company.

2.1.4 Interior Design. Prior to submission, or as part, of the Plans submitted pursuant to Section 2.1.3 above, the City shall submit to Management Company for review and approval (i) interior design plans, including color-rendered floor plans, reflected ceiling plans, elevations, sections and renderings that are reasonably necessary, in Management Company's opinion, to adequately explain the design intent of the public spaces and function spaces in the MC3 Expansion, and (ii) display boards, in a format acceptable to Management Company, of fabrics, carpets, furnishings, finishes, paints, lighting design guidelines (e.g., fixtures, chandeliers, sconces, etc.) and other materials for each MC3 Expansion space designated by Management Company. The City understands that these materials will be used as presentation materials for the approval of the interior design of the MC3 Expansion by Management Company, and the City shall revise and amend such presentation materials as required to obtain final approval of the interior design by Management Company.

2.1.5 Decorative Items and FF&E. Upon Management Company's approval of the interior design materials submitted pursuant to Section 2.1.4 above, the City shall prepare or cause to be prepared documents reasonably describing the Decorative Items and FF&E to be installed in the MC3 Expansion and the installation locations or details therefor. Such information shall include the description, quantity, recommended manufacturer and model number, product specification, photograph (when appropriate), installed location and other pertinent information about the Decorative Items or FF&E. In accordance with the approved schedule for the Project, Management Company shall provide to the City: (i) general concepts and requirements for food and beverage facilities; (ii) on background drawings provided by the City, the locations of security devices, and their specifications, installation details, power and space requirements; (iii) on background drawings provided by the City, the locations and types of telephone equipment, paging and call accounting equipment; (iv) outline specifications, equipment schedules, diagrams, drawings and other data reasonably required to solicit proposals from contractors and vendors to furnish and install Systems (excluding conduit, wire and power requirements); and (v) guidelines for conduit sizing, cable distribution, power and space requirements for Telecommunications Systems. Based on the foregoing, the City shall provide documents specifying the Audio/Video Systems, Exterior Identity Signage, Graphics, Housekeeping Equipment, Security Systems and Telecommunications Systems, if any, to be installed in the MC3 Expansion. Upon approval by the Management Company, such documents shall become part of the Plans.

## 2.2 Construction Period

2.2.1 Construction of the MC3 Expansion, Observations. The City shall construct, furnish and fully equip the MC3 Expansion in accordance with System Standards and the Plans that have been previously approved by Management Company; provided, however, the City shall have the right to make changes and alterations to the Plans as needed during construction to account for unforeseen circumstances or on the advice of its architect to comply with applicable building codes, legal requirements or sound building practices, in each case subject to Management Company's approval rights as described in the last sentence of Section 2.1.3 above. During the course of construction, Management Company shall have the right, but not the obligation, to inspect, at reasonable times and intervals, any and all work contemplated by the Project to confirm its conformance with the approved Plans and System Standards. During the course of construction, the City shall cooperate (and cause its contractors to cooperate) with Management Company for the purpose of permitting Management Company to observe from time to time, as Management Company believes necessary, the construction of the MC3 Expansion as it proceeds to determine whether construction is proceeding in accordance with System Standards and the approved Plans. In particular, Management Company may visit the site at such intervals as Management Company deems reasonably necessary. However, the parties agree that despite its right to observe the construction pursuant to this Section 2.2.1, Management Company shall not be obligated to observe the construction of the MC3 Expansion. It is understood and agreed that Management Company is providing no construction management services, and that construction management shall be the sole responsibility of the City. Costs and expenses of Management Company incurred in connection with making the observations contemplated by this Section 2.2.1 shall be either included in the Technical Services Fee or billed

to the City as Reimbursable Expenses, consistent with Management Company's standard practices.

#### 2.2.2 Intentionally Omitted.

2.2.3 Shop Drawing and Submittal Review. The City shall cause the City's contractor to submit to Management Company, for its approval, shop drawings, product data and samples generated or provided by the contractor or vendors (the "Submittals") of items covered by this Agreement, in each case as requested by Management Company in accordance with a list of Submittals to be provided by Management Company to the City. Upon approval, such Submittals shall become part of the Plans.

2.2.4 Permits. The City shall be responsible for obtaining all permits and other approvals required for construction and opening of the MC3 Expansion, such as the building permit, occupancy permit and elevator permits for the MC3 Expansion.

2.2.5 Documents Upon Completion of Construction. Upon completion of construction of the Project, the City shall submit to Management Company (i) an architect's certification that the Plans comply with all applicable legal requirements and that the MC3 Expansion has been constructed and completed in accordance with the Plans approved by Management Company, as such Plans may have been modified in accordance with Section 2.2.1, and (ii) a copy of the certificate of occupancy for the MC3 Expansion.

### 2.3 Post-Completion Period

2.3.1 Upon completion of the Project, the City shall provide to Management Company: (i) all documents, including an electronic copy (AutoCAD.dwg format) and two (2) full size print sets of record drawings and specifications prepared with respect to the MC3 Expansion for the City by its architects, engineers, interior designers, electrical engineering consultants, plumbing consultants, mechanical consultants, lighting consultants or graphic designers, and all other design team consultants, as the case may be, with the inclusion therein of all documented changes (including the architect's supplemental instructions, requests for information (RFIs), submittal revisions, etc.) and all "as-built" information; and (ii) all management manuals, drawings, technical information, warranties and guaranties relating to the equipment and systems installed in the MC3 Expansion.

2.3.2 By no later than forty-five (45) days after the Completion Date, Management Company shall furnish to the City the completed punchlist ("Punchlist Items") delineating the specific areas of the Project disapproved or rejected by Management Company and setting forth the grounds for such disapproval or rejection. If the City fails to complete any of the Punchlist Items within sixty (60) days after the City's receipt of the list of Punchlist Items pursuant to this Section 2.3.2, Management Company shall have the right, but not the obligation, to complete any or all of such Punchlist Items. If Management Company elects to complete any of the Punchlist Items, the City shall pay to Management Company all costs and expenses incurred by Management Company with respect thereto within ten (10) days from the date of

Management Company's written request for payment thereof. If the City fails to make such payment within such ten (10) day period, Management Company shall have the option to deduct such amounts (plus interest from the date of expenditure until repayment to Management Company at an annual rate equal to the Prime Rate plus three (3) percentage points) from (i) the Repairs and Equipment Reserve; or (ii) from distributions otherwise payable to the City pursuant to the Management Agreement. If Management Company elects to withdraw from the Repairs and Equipment Reserve any or all of the amounts owed to Management Company by the City pursuant to this Section 2.3.2 and the City fails to make a lump sum contribution to the Repairs and Equipment Reserve in the amount so withdrawn by Management Company within ten (10) days from Management Company's request therefor, Management Company shall have the right to replenish the Repairs and Equipment Reserve by deducting such amount from distributions otherwise payable to the City pursuant to the Management Agreement. Any such contributions to the Repairs and Equipment Reserve shall not be repaid to the City. Management Company agrees to use commercially reasonable efforts to coordinate its delivery of the list of Punchlist Items with the City's architect's schedule for reviewing punchlist items more broadly with respect to the Project.

2.3.3 Notwithstanding any other provisions of this Agreement, to the extent that Management Company determines that the MC3 Expansion as constructed, furnished or equipped, does not conform to System Standards or to the approved Plans, Management Company may provide written notice thereof to the City. If the City does not correct such nonconforming work or remedy such failure, as applicable, within thirty (30) days after receipt of written notice from Management Company, or provide Management Company with adequate assurances that such nonconforming work or failure will be promptly remedied prior to the Completion Date, in addition to any other rights and remedies Management Company may have pursuant to this Agreement and the Management Agreement, Management Company may elect to correct such nonconforming work, at the City's sole cost and expense, to ensure the MC3 Expansion comply with the approved Plans and System Standards.

2.4 Timing of Review. If Management Company has not responded to (i) any submittals required to be made by the City pursuant to this Agreement, including without limitation, pursuant to this Article 2, within thirty (30) days after Management Company's receipt of such submittals, or (ii) any other requests by the City for an approval by Management Company pursuant to this Agreement within thirty (30) days after Management Company's receipt of such request for approval, the City shall have the right to send a written notice (the "Second Request") to Management Company marked, in conspicuous type, "**Meadowview Conference Center: Materials for Management Company Review - SECOND REQUEST**" requesting that Management Company respond to such submittals or request for approval. If Management Company fails to either give written approval of such submittals or request for approval, or provide detailed written objections or suggested changes to such submittals or request for approval within ten (10) Business Days from Management Company's receipt of such Second Request, Management Company shall be deemed to have approved such submittals or request for approval.



## **ARTICLE 3**

### **PROJECT BUDGET**

3.1 The total cost of the Project is currently estimated to be approximately Fifteen Million Dollars (\$15,000,000.00). The City will develop a master budget for the Project (the "Budget") and provide such Budget to Management Company upon Management Company's written request. All costs and expenses incurred by the City in connection with the Project shall be borne by the City out of its own funds.

## **ARTICLE 4**

### **TIMETABLE; TECHNICAL SERVICES FEE**

#### **4.1 Construction of the MC3 Expansion.**

4.1.1 General; Timeline. The City agrees that construction, furnishing and equipping of the MC3 Expansion shall be completed in accordance with the Plans and the Budget approved by Management Company. The City shall be solely responsible for any cost over-runs in constructing, equipping or furnishing the MC3 Expansion. The City shall comply with the following obligations:

(a) within sixty (60) days of the date of this Agreement, the City shall submit to Management Company the materials described in Section 2.1.2 above, if available; provided, however, the City shall use its best efforts to cause its architect and other Project consultants to produce such materials pursuant to a schedule that will allow such materials to be submitted within the sixty (60) day timeframe contemplated by this clause (a);

(b) within ninety (90) days of the date of this Agreement, the City shall submit to Management Company the materials described in Section 2.1.3, Section 2.1.4 and Section 2.1.5 above, if available; provided, however, the City shall use its best efforts to cause its architect and other Project consultants to produce such materials pursuant to a schedule that will allow such materials to be submitted within the ninety (90) day timeframe contemplated by this clause (b);

(c) The City shall commence construction of the MC3 Expansion in accordance with the construction schedule attached hereto as Exhibit A (as such schedule may be updated in accordance with Section 1.2), with construction being deemed to have commenced upon the issuance of a final building permit for the Project;

(d) construction of the MC3 Expansion, having commenced, shall not be interrupted or stopped for a period in excess of thirty (30) days for reasons

other than Force Majeure Delays (as defined in Section 15.03 of the Management Agreement); and

(e) The City shall complete construction of the MC3 Expansion in accordance with System Standards, the approved Plans and this Agreement by no later than March 1, 2010 (subject to any extensions of such date subsequently approved by Management Company).

The foregoing deadlines shall be extended for delays caused by Force Majeure Delays (as defined in Section 15.03 of the Management Agreement), provided that the aggregate total of all such extensions shall not exceed one hundred eighty (180) days.

4.1.2 Failure to Achieve Substantial Completion. In the event that the City commences construction of the MC3 Expansion but thereafter fails for any reason to achieve Substantial Completion by March 1, 2010, as such date may be extended for delays caused by Force Majeure Delays in accordance with the last paragraph of Section 4.1.1 above, Management Company shall have the right to require the City to restore, within sixty (60) days after notice thereof to the City, the MC3 and surrounding site to its condition immediately prior to commencement of construction. Notwithstanding Section 9.1 of this Agreement, if the City shall fail to so restore the MC3 and surrounding site to Management Company's satisfaction, as determined by Management Company in its sole discretion, then in addition to any other rights and remedies Management Company may have pursuant to this Agreement and the Management Agreement, Management Company shall have the right to terminate this Agreement and the Management Agreement by written notice to the City, which termination shall be effective as of the effective date set forth in said notice, provided that said effective date shall be at least thirty (30) days after the date of said notice, and provided further, if (i) the City's failure is not susceptible of being cured within sixty (60) days after notice from Management Company and (ii) the City promptly commences to cure the failure and diligently and continuously pursues such cure efforts, Management Company's notice of termination shall be of no force and effect until the expiration of the ninety (90) day period following the date of Management Company's notice and such notice shall be deemed cancelled if all outstanding failures have been cured as of the expiration of such ninety (90) day period. In the event this Agreement is terminated by Management Company pursuant to this Section 4.1.2, all unpaid installments of the Technical Services Fee (as defined below) and all accrued but unpaid Reimbursable Expenses (as defined below) shall become immediately due and payable, and such liability shall continue until discharged, notwithstanding termination.



#### 4.2 Technical Services Fee

4.2.1 For the services rendered by Management Company pursuant to Article 2 and Article 3 hereto, the City shall pay Management Company a fee (the "Technical Services Fee") in the amount of Ninety Thousand Dollars (\$90,000.00), which shall cover the services rendered by Management Company set forth in this Agreement. The Technical Services Fee shall be paid in three (3) installments, in the following amounts and on the following dates:

Installment	Amount	Due Date
First Installment	\$30,000.00	Execution of this Agreement
Second Installment	\$30,000.00	Completion of Structural Frame
Third Installment	\$30,000.00	Completion Date

The City agrees that the amount of the Technical Services Fee set forth in Section 4.2.1 above is based upon a projected Completion Date of March 1, 2010. In the event that the Completion Date is delayed beyond June 1, 2010 or if the City delays the delivery of interim deliverables described in this Agreement beyond the dates for such deliverables, the total amount of the Technical Services Fee shall be increased by the amount of Management Company's or its Affiliates' actual costs for services rendered pursuant to Article 2 and Article 3, which costs shall be billed at Management Company's or its Affiliates' usual and customary hourly rates until the actual Completion Date occurs, which costs shall be invoiced and paid on a monthly basis until the actual Completion Date.

4.2.2 In addition to the Technical Services Fee, the City shall pay to Management Company the Reimbursable Expenses within thirty (30) days of the date of Management Company's invoice therefor; provided that total Reimbursable Expenses shall not exceed the sum of [ ] Dollars (\$[ ]) absent the further agreement of the City and Management Company (it being agreed that such sum shall be equitably adjusted in the event the actual Completion Date does not occur on or prior to the projected Completion Date set forth in Section 6.1). Management Company shall invoice the City for the Reimbursable Expenses on a monthly basis and the City shall pay such invoices within thirty (30) days of the date of such invoices. Management Company shall provide the City with system-generated information from Management Company's automated expense reporting system to substantiate all Reimbursable Expenses. Management Company shall provide the City with a good faith estimate of the total Reimbursable Expenses and shall notify the City if at any time actual Reimbursable Expenses are projected to exceed such estimated amount and the reasons therefor.

4.2.3 If, following the Completion Date, the City has failed to make payment on account of the Technical Services Fee or Reimbursable Expenses detailed in Section 4.2.1 and Section 4.2.2 above, Management Company, upon ten (10) days prior notice to the City, shall have the option to pay itself such amounts from Gross Revenues, but such amounts shall not be treated as Gross Operating Expenses.

## ARTICLE 5

### PRE-OPENING ACTIVITIES

5.1 Pre-Opening Activities. The City and Management Company recognize that Management Company must undertake certain activities in advance of the Completion Date so that the expanded MC3 can be operated at its increased capacity promptly following the Completion Date. Accordingly, Management Company shall, among other things, negotiate group sales agreements and other contracts for the expanded MC3, undertake pre-opening promotion and advertising, and test and, if necessary, implement modifications of the MC3 operations arising from the expansion contemplated hereunder. The City acknowledges that Pre-Opening Expenses will be incurred in connection with the preparation of the MC3 Expansion for operation. An estimate of the Pre-Opening Expenses is attached hereto as Exhibit B. The Pre-Opening Expenses will be incorporated into the Annual Operating Budget for the MC3 for 2010, or, in the event of a delay or postponement of the Completion Date, the Annual Operating Budget for the applicable Fiscal Year(s) in which the MC3 Expansion will open or be prepared for opening, and the City shall not withhold its approval of the applicable Annual Operating Budget based on the inclusion of such Pre-Opening Expenses therein. If the Pre-Opening Expenses exceed the aggregate amount set forth on Exhibit B, inclusion in the Annual Operating Budget of the amount of Pre-Opening Expenses in excess of the aggregate amount set forth on Exhibit B shall be subject to the City's reasonable consent.

## ARTICLE 6

### COMPLETION DATE

6.1 Completion Date. The "Completion Date" (as defined below) is projected to occur on March 1, 2010. The City and Management Company will direct their actions hereunder in a manner that is intended to achieve the Completion Date on such date. The City acknowledges that Management Company will begin booking reservations for the expanded MC3 based upon the City's commitment to complete the Project by the projected Completion Date. The actual Completion Date shall be the date upon which (i) the Project is Substantially Complete and in compliance with the provisions of Section 6.2 below, and is ready for its intended use and occupancy, (ii) all licenses, permits and other approvals and instruments necessary for operation of the MC3 Expansion by Management Company have been obtained and (iii) there is no ongoing construction on any portion of the MC3 Expansion that would materially adversely affect access to the MC3 Expansion or that would otherwise materially adversely limit, restrict, disturb or interfere with Management Company's management and operation of the MC3 in accordance with System Standards. Any agreement by Management Company to delay the actual Completion Date based on failure of the MC3 Expansion to satisfy the requirements set forth in the preceding sentence shall not prejudice Management Company's rights under Section 4.1 above. If, as of the Completion Date, there remain to be completed minor unfinished "punch list" items or installation of incidental FF&E and Fixed Asset Supplies

in the MC3 Expansion, none of which preclude Management Company, in Management Company's reasonable judgment, from operating the MC3 in accordance with the standards of this Agreement, the Completion Date shall not be delayed for such reasons; however, the City shall be obligated to promptly finish such items.

**6.2 Intentionally Omitted.**

**6.3 Funding of Additional Working Capital.** The City acknowledges that additional Working Capital will be required for the MC3 Expansion. The City shall promptly advance, upon Management Company's request, additional funds as necessary to maintain Working Capital at levels reasonably determined by Management Company to satisfy the needs of the expanded MC3.

**6.4 Funding of Fixed Asset Supplies.** The City shall ensure that, at least thirty (30) days prior to the projected Completion Date, the MC3 is equipped with such additional Fixed Asset Supplies and Inventories as are required for the operation of the MC3 Expansion in accordance with System Standards; provided that in any event the City shall ensure that the MC3 is equipped with such additional Fixed Asset Supplies and Inventories at least ten (10) days prior to the projected Completion Date. Management Company shall provide guidance to the City relating to the quantities and specifications of Fixed Asset Supplies and Inventories necessary for such operation.

**ARTICLE 7**

**PROJECT INSURANCE**

**7.1 Insurance Required.** At all times while the Project is ongoing, the City shall cause its general contractor to procure and maintain insurance protecting the City and the Marriott Companies against all loss or damage arising out of or in connection with the Project. Such insurance shall, at minimum include:

**7.1.1 Commercial general liability insurance** with combined single limits for bodily injury or property damage in an amount not less than One Million Dollars (\$1,000,000) per each occurrence with a general aggregate limit of not less than Two Million Dollars (\$2,000,000) and such aggregate shall apply, in total, to the Project. Such insurance shall include, but is not limited to, the following coverages or endorsements:

- Independent Contractors Liability
- Products/Completed Operations Liability to be maintained for four (4) years after the Completion Date or such greater time frame as may be required to cover the statutory time frame for construction defects in the state where the project is developed. If such coverage is provided by the general contractor, evidence of insurance shall be provided for the entire statutory time frame.
- Explosion, Collapse and Underground Coverage
- Broad Form Property Damage Liability, including Completed Operations

7.1.2 Business auto liability including owned, non-owned and hired vehicles, with combined single limits for bodily injury and property damage in an amount not less than One Million Dollars (\$1,000,000) per each occurrence.

7.1.3 Umbrella excess liability, on a following form, in an amount not less than Twenty-Five Million Dollars (\$25,000,000) per occurrence or such greater amount as required by the City. Such coverage shall be in excess of the insurance required under Section 7.1.1 and Section 7.1.2 above, and the employers liability required under Section 7.1.5 below.

7.1.4 Builders risk insuring such risks as commonly covered by an "all risk of physical loss," form on a replacement cost.

7.1.5 Workers' compensation insurance covering general contractors', its subcontractors' and its consultants' employees, in statutory amounts and employers' liability of not less than One Million Dollars (\$1,000,000) each accident.

7.2 General Provisions. All insurance policies required under Section 7.1 above (except Section 7.1.5 above) shall include the Marriott Companies, their employees and agents, as additional insureds. The City shall require that the general contractor deliver to Management Company, certificates of insurance, and if so requested copies of the insurance policies, with respect to all policies required pursuant to Section 7.1 above and, in the case of insurance policies about to expire, shall deliver certificates with respect to renewals thereof. All such certificates of insurance shall state that the insurance shall not be canceled or materially reduced without at least thirty (30) days' prior written notice to the certificate holder or other comparable industry acceptable language. For all the above coverages, the City shall cause the general contractor and all subcontractors to, waive their respective rights of recovery and its insurers' rights of subrogation against the Marriott Companies and their employees and agents and such coverage shall be primary and non-contributory to any other coverages the Marriott Companies may carry.

## ARTICLE 8

### WARRANTIES AND COVENANTS OF THE CITY

8.1 Representations and Warranties of the City. The City hereby represents and warrants to Management Company as follows:

8.1.1 Title. The City has good, indefeasible and merchantable title to and ownership of the Project subject to no liens or encumbrances for the repayment of debt and no other liens or encumbrances which might materially adversely affect the construction or operation of the MC3 Expansion or the MC3 or Management Company's rights hereunder or under the Management Agreement.

8.1.2 No Breach. The execution, delivery and/or performance by the City of this Agreement will not result in a breach of any provision contained in any agreement, instrument, document, order, judgment, decree or other material arrangement which the City is a party or by which it or any of its assets is bound.

8.1.3 Litigation. There is no pending or threatened suit, action or litigation or administrative, arbitration or other proceeding relating to the City or the Project which might materially adversely affect the construction or operation of the MC3 Expansion or the MC3 or Management Company's rights hereunder or under the Management Agreement.

8.1.4 Access and Utilities. Suitable vehicular and pedestrian access and complete utility services (including water, sewer, storm drainage electricity, gas, telephone and cable television) are available to the Project or can be made available without extraordinary expense.

8.2 Covenants of the City. The City covenants and agrees, in addition to the other covenants of the City herein and in the Management Agreement, to:

8.2.1 Publicity. To furnish to Management Company for its prior approval all announcements to news media regarding the MC3 Expansion and to permit and assist Management Company to obtain such publicity in connection with the MC3 Expansion as Management Company desires.

8.2.2 Use of Logos. The City shall request Management Company's approval, which Management Company may withhold in its sole discretion, for any use of the "Marriott" name and logos in all publications, announcements or articles, and the City shall not permit and shall use all available means to prevent its vendors and contractors from advertising their contracts in connection with the Project and any unauthorized use of the Marriott trademarks.

8.2.3 Environmental. The City agrees to provide to Management Company evidence satisfactory to Management Company that no hazardous materials are present on the Project site or will be incorporated into the construction of the Project, and that any hazardous

materials previously located on the Project site have been completely removed to the satisfaction and in compliance with the rules, regulations and orders of all governmental authorities having jurisdiction thereof.

8.3 Survival; Indemnity. The provisions of this Agreement shall survive the Completion Date. To the extent permitted by applicable law, the City shall indemnify and hold Management Company harmless from and against any and all loss, cost, damage or expense (including, without limitation, reasonable attorney's fees and litigation expenses) arising from, occurring by virtue of or resulting from, any breach of any representation or warranty made by the City herein or from any failure by the City to perform or observe any covenant or agreement of the City contained herein.

## ARTICLE 9

### MISCELLANEOUS

9.1 Defaults. Upon the occurrence of a default by either the City or Management Company of its obligations under this Agreement, and the continuance of such default for a period of thirty (30) days after the defaulting party's receipt of written notice from the non-defaulting party of said failure, the non-defaulting party shall have the right to pursue any one or more of the following courses of action: (1) if the default has a material adverse impact on the non-defaulting party, to terminate this Agreement and the Management Agreement by written notice to the defaulting party, which termination shall be effective as of the effective date which is set forth in said notice, provided that said effective date shall be at least sixty (60) days after the date of said notice, and/or (2) to institute forthwith any and all proceedings permitted by law or equity including, without limitation, actions for specific performance and/or damages.

9.2 Term. This Agreement shall commence upon the date hereof and, unless terminated on an earlier date as provided in this Agreement, shall expire upon the date the MC3 Expansion is completed in accordance herewith and following the Completion Date. This Agreement shall be terminated in the event that the Management Agreement is terminated. The termination shall not in any way relieve the City of its obligation to pay or reimburse Management Company for all amounts owing or to be reimbursed to Management Company on the terms hereof for any outstanding portions of the Technical Services Fee or Reimbursable Expenses accrued prior to the date of termination, and all such amounts shall become immediately due and payable, and such liability shall continue until discharged, notwithstanding termination.

9.3 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the City and Management Company and their respective heirs, legal representatives, successors and permitted assigns. Neither the City nor Management Company shall assign or transfer any rights hereunder or interest herein (including, without limitation, monies due or that may become due hereunder) without the written consent of the other except in connection with a transfer by Management Company to an affiliate. Unless specifically stated to the contrary in any

written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility hereunder. Nothing contained in this Section 9.3 shall prevent Management Company from employing such independent consultants, associates and subcontractors as Management Company may deem appropriate to assist it in the performance of services hereunder.

9.4 Relationship. In the performance of this Agreement, Management Company shall act solely as an independent contractor. Neither this Agreement nor any agreements, instruments, documents, or transactions contemplated hereby shall in any respect be interpreted, deemed or construed as making Management Company a partner, joint venturer with, or agent of, the City. The City and Management Company agree that neither party will make any contrary assertion, claim or counterclaim in any action, suit, arbitration or other legal proceedings involving the City and Management Company.

9.5 Documents. All drawings, specifications, notes on drawings and other documents or correspondence produced by Management Company pursuant to this Agreement shall be the property of Management Company, and the City shall have no right to use such documents with regard to any other project without Management Company's consent, which consent shall be granted, conditioned or denied at Management Company's sole and absolute discretion.

9.6 Third-Party Rights. Nothing herein shall be construed to give any rights or benefits hereunder to any person or entity, other than the City or Management Company, and the rights of third-party beneficiaries are hereby expressly negated.

9.7 Headings. The headings of Sections herein are inserted for convenience only and are in no way intended to describe, interpret, define or limit the scope or content of this Agreement or any provision hereof.

9.8 Effect of Approval of Plans and Specifications. The City and Management Company agree that in each instance in this Agreement or elsewhere wherein Management Company is required to give its approval of plans, specifications, budgets and/or changes thereto, no such approval shall imply or be deemed to constitute an opinion of Management Company, nor impose upon Management Company any responsibility or liability for the design or construction of the MC3 Expansion, including but not limited to, structural integrity or life-safety requirements, adequacy of any budgets, or the means, methods, techniques, sequences or procedures of construction. Management Company and its Affiliates shall not be responsible or liable for: (i) the design or construction of the MC3 Expansion, including but not limited to, structural integrity or life-safety requirements; (ii) the acts or omissions of the City or any third party consultants or contractors (including, but not limited to, the performance by design professionals, construction contractors, subcontractors or other consultants or third parties); (iii) the failure of any contractor or consultant to carry out any portion of any work on the MC3 Expansion; (iv) any costs or expenses associated with, related to, or resulting from the design and construction of the MC3 Expansion; (v) the means, methods, techniques, sequences or procedures of construction; or (vi) any safety precautions and programs in connection with the MC3 Expansion. The City acknowledges that Management Company will, in its review process,



provide comments on the plans and specifications. Such reviews do not relieve the City and its consultants of their responsibility to determine the completeness and coordination of their documents and to ensure that the design and construction of the Project comply with applicable Legal Requirements.

9.9 Applicable Law. This Agreement shall be construed under and shall be governed by the laws of the State of Tennessee.

9.10 Notices. All notices to be delivered hereunder shall be delivered in accordance with Section 20.06 of the Management Agreement .

9.11 Confidentiality. The City and Management Company agree that the terms of this Agreement are strictly confidential and will use their reasonable efforts to ensure that such matters and information are not disclosed to any outside person or entities, other than Hotel Owner, without the prior consent of the other party, except as required by law (including any open records act under State law applicable to the City).

9.12 Waiver of Jury Trial and Consequential and Punitive Damages. The City and Management Company each hereby absolutely, irrevocably and unconditionally waive trial by jury and the right to claim or receive consequential, incidental, special or punitive damages in any litigation, action, claim, suit or proceeding, at law or in equity, arising out of, pertaining to or in any way associated with the covenants, undertakings, representations or warranties set forth herein, the relationships of the parties hereto, this Agreement or any other agreement, instrument or document entered into in connection herewith, or any actions or omissions in connection with any of the foregoing. **[NOTE: CITY'S COMMENTS ARE UNDER REVIEW.]**

9.13 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which shall constitute one and the same instrument. Such executed counterparts may be delivered by facsimile which, upon transmission to the other party, shall have the same force and effect as delivery of the original signed counterpart. The submission of an unsigned copy of the Agreement or an electronic instrument with or without electronic signature to either party shall not constitute an offer or acceptance. This Agreement shall become effective and binding only upon execution and delivery of the Agreement in non-electronic form by both parties in accordance with this Section 9.13.

9.14 Indemnification. The City shall indemnify and hold harmless the Marriott Companies and their respective agents and employees from and against all claims, damages, losses and expenses (including, but not limited to, reasonable attorneys' fees) arising out of or resulting from the design, construction and furnishing of the Project brought by third parties, except when such claim, damage, loss or expense is the result of the sole negligence of a Marriott Company or employee or agent thereof. **[NOTE: CITY'S COMMENTS ARE UNDER REVIEW.]**



9.15 Entire Agreement. The Agreement, together with any other writings signed by the parties expressly stated to be supplemental hereto and together with any instruments to be executed and delivered pursuant to the Agreement, constitutes the entire agreement between the parties and supersedes all prior understandings and writings, and may be changed only by a written non-electronic instrument that has been duly executed by the non-electronic signature of an authorized representative of the parties hereto.

9.16 Consents and Approvals. Wherever in this Agreement the consent or approval of Management Company is required, such consent or approval unless otherwise noted shall be given or withheld in Management Company's sole discretion, shall be in writing, and shall be executed by a duly authorized officer or agent of Management Company. If Management Company fails to respond within thirty (30) days to a request for a consent or approval, such failure to respond shall be deemed to be a withholding of consent or approval.

9.17 Waiver. The failure of either party to insist upon a strict performance of any of the terms or provisions of this Agreement, or to exercise any option, right or remedy contained in this Agreement, shall not be construed as a waiver or as a relinquishment for the future of such term, provision, option, right or remedy, but the same shall continue and remain in full force and effect. No waiver by either party of any term or provision hereof shall be deemed to have been made unless expressed in writing and signed by such party.

**[SIGNATURES APPEAR ON THE FOLLOWING PAGE]**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed under seal as of the day and year first written above.

**THE CITY:**

**CITY OF KINGSPORT,**  
a municipal corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**MANAGEMENT COMPANY:**

**MARRIOTT HOTEL SERVICES, INC.,**  
a Delaware corporation

By: \_\_\_\_\_  
Print Name: M. Lester Pulse, Jr.  
Title: Vice President

**ACKNOWLEDGED BY HOTEL OWNER  
FOR PURPOSES OF SECTIONS 4.1.2 AND 9.1:**

**KINGSPORT HOTEL L.L.C.,**  
a Tennessee limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**

**Project Schedule**

**EXHIBIT B**

**Estimate of Pre-Opening Expenses**

DRAFT



## AGENDA ACTION FORM

### Consideration of a Resolution Adopting Administrative Relief From Duty, Separation From Employment, and Employment Verifications Policies

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Action Form No.: AF-27-2009

Work Session: February 16, 2009

First Reading: N/A

Final Adoption: February 17, 2009

Staff Work By: Billingsley, Duncan

Presentation By: Billingsley

**Recommendation:** Approve the resolution.

**Executive Summary:** The personnel policies continue to be updated. Adoption of the following four policies is recommended to establish standards that are understandable and are beneficial to the city and its employees.

The Administrative Relief From Duty policy specifies that such relief from duty is an administrative action and not considered a disciplinary proceeding or corrective action. Placement on administrative relief from duty is generally for the purpose of investigation, however, it may include emergency or other unusual situations.

The Separation From Employment Policy addresses areas currently covered under Section 7, Termination and Resignation. The policy describes the general categories of separation from employment including employer initiated reduction in force. Reduction in force due to economic, efficiency, or other reasons may be city-wide or departmental and may be temporary or permanent or the reduction from full-time to part-time employment. Full-time employees who have city health insurance coverage at the time they are affected by a temporary reduction of their work schedule to less than full-time may continue such health insurance coverage, for a period not to exceed 90 calendar days, on the same terms as if the employees continued working a full-time schedule.

The Employment Verifications Policy addresses employment verifications.

**Attachments:**

1. Resolution

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION ADOPTING AN ADMINISTRATIVE RELIEF  
FROM DUTY POLICY, A SEPARATION FROM EMPLOYMENT  
POLICY, AND AN EMPLOYMENT VERIFICATIONS POLICY FOR  
CITY EMPLOYEES

WHEREAS, the city is updating its personnel policies; and

WHEREAS, the city desires to adopt an administrative relief from duty policy, a separation from employment policy, and an employment verifications policy to establish standards that are understandable, reflect current practice, are beneficial to the city and its employees.

Now, therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the following policy is adopted as the official Administrative Relief From Duty Policy for the City of Kingsport:

Administrative relief from duty is an administrative procedure and is not considered a disciplinary proceeding or corrective action. Administrative relief from duty shall not reflect negatively on an employee. A department head may relieve an employee when the department head determines that such action is necessary, informing the City Manager, or designee, and Human Resources Manager, or designee. Such relief from duty shall be with pay.

Generally, placement on administrative relief from duty is for the purpose of investigation, however, it may include emergency or other unusual situations.

In the event that an employee is administratively relieved from duty, the department head shall reduce the order to writing as soon as reasonably practicable giving the reasons for the actions and the length of the relief. Copies of the order shall be forwarded to the City Manager's office and to the Human Resources Manager, or designee.

Alternatively, a department head may, in consultation with the Human Resources Manager, temporarily reassign an employee to other job duties.

Depending upon the circumstances involved, periods of relief from duty may result in a return to job duties, suspension, demotion, or recommendation for

termination. Since administrative relief from duty is not a disciplinary proceeding or corrective action it is not subject to formal review. However, nothing in this policy prevents an employee from meeting with the City Manager to discuss the issue concerning administrative relief from duty.

#### Other Provisions

Nothing in this policy should be construed to conflict with or supersede state or federal law, or as interfering with the constitutional rights of employees.

While the city is committed to the principles embodied in this policy, the policy itself is not intended to state contractual terms and does not constitute a contract between the city and its employees. This policy supersedes all policies that conflict with the terms of this policy. Furthermore, this statement constitutes ONLY the policy of the city. A finding of a violation of this policy does not mean that the conduct violates state and/or federal laws.

SECTION II. That the following policy is adopted as the official Separation From Duty Policy for the City of Kingsport:

#### Policy

There are many reasons for which an employee may choose or be required to leave employment with the city. This policy describes the general categories of separation (excluding employer initiated separation from employment for reasons other than reduction in force). Employer initiated separation from employment for reasons other than reduction in force is covered under the city's Corrective Action Policy.

#### Resignation

A resignation is an oral or written statement by an employee of an intent to terminate employment with the city either immediately or prospectively. A resignation, whether oral or written, or whether immediate or prospective, once submitted is irrevocable and cannot be withdrawn without agreement of the city. The withdrawal of a resignation must be recommended by the employee's department head and must be approved by the City Manager in consultation with

the Human Resources Manager.

The city asks any employee planning to resign to offer to continue their work duties, if needed, for a two week period prior to the effective date of resignation. Once the resignation is provided, the city at its discretion, and with or without the approval of the employee, may make the effective date of the resignation immediate or earlier than the date provided by the employee.

#### Reduction In Force

Reduction in Force is the temporary or permanent vacating or the involuntary reduction from full-time to part-time of an occupied position. The city may determine that a reduction in its workforce is necessary because of economics, efficiency, or other reasons. A reduction in force may be made through a reduction in an employee's work schedule and pay, through a temporary reduction in force, or through a permanent reduction in force. The period during which an employee's work hours are reduced or eliminated may be continuous or intermittent. The city reserves the right to reduce hours for any reason. A reduction in force may be city-wide or departmental. The determination of which employees shall be affected shall be made by the City Manager in consultation with the Department Head. Employees on approved leave when a reduction in force is implemented are considered active employees and shall be treated as if they were in their positions. A reduction in force is not a disciplinary proceeding or corrective action and is not subject to appeal.

#### Temporary Reduction In Force

A temporary reduction is the elimination of an occupied position or a reduction in an employee's work schedule and pay of not more than 90 calendar days. Temporary reduction in force is not a separation from employment.

If a full time employee has city health insurance coverage at the time such employee is affected by a temporary reduction of their work schedule to less than full time with the expectation that the schedule shall return to full time, the city shall maintain health insurance coverage, including family coverage, for a period not to exceed 90 calendar days, on the same terms as if the employee continued

working a full time schedule. Employees are required to continue paying the employees' portion of health insurance premiums during such period. If the temporary reduction in force continues beyond the 90 day period the city maintained health insurance coverage ends.

#### Permanent Reduction In Force

A permanent reduction in force is the elimination of an occupied position anticipated to exceed 90 calendar days. Release of an employee due to a permanent reduction is a separation from employment.

Full-time employees who have city health insurance coverage at the time they are affected by a permanent reduction in force shall be eligible for temporary continuation of the health insurance coverage, including family coverage, through COBRA.

#### Recall From Reduction In Force

After a reduction in force the city may or may not recall an employee or former employee whose position was eliminated. The city retains the right to recall such employee or former employee in any order that is deemed in the best interest of the city. The city does not guarantee that an employee whose employment is ended due to a reduction in force shall be recalled. The city does not guarantee that an employee who is subject to a modification of work schedule and pay shall be returned to pre-modification status.

#### Death

Separation due to death shall be effective as of the date of death. Payments for earned salary and for accrued vacation shall be paid to the surviving spouse or estate according to the laws of the state.

#### Dismissal

The City Manager may dismiss any employee in the service of the city at any time in compliance with provisions as described in the Code of Ordinances of the City of Kingsport.



### Exit Interviews

Whenever an employee terminates employment with the city, the Human Resources Manager, or designee, shall be notified and an exit interview scheduled. Often terminating employees can provide valuable information regarding their job, department, and other conditions of employment with the city which would assist in the improvement of the city's overall management system. Such interviews shall be conducted by the Human Resources Manager, or designee, who shall inventory and retrieve all city property issued to the employee.

The Human Resources Department shall assist the Finance Department in clearing any outstanding travel advances or petty cash withdrawals. The Human Resources Manager, or designee, shall notify the City Recorder of separations of employment for an audit determination.

### Other Provisions

Nothing in this policy should be construed to conflict with or supersede state or federal law, or as interfering with the constitutional rights of employees.

While the city is committed to the principles embodied in this policy, the policy itself is not intended to state contractual terms and does not constitute a contract between the city and its employees. This policy supersedes all policies that conflict with the terms of this policy. Furthermore, this statement constitutes ONLY the policy of the city. A finding of a violation of this policy does not mean that the conduct violates state and/or federal laws.

SECTION III. That the following policy is adopted as the official Employment Verifications Policy for the City of Kingsport.

All requests for employment verification shall be referred to the Human Resources Department. Response to telephone requests for employment verification shall only acknowledge employment, position, and dates of employment.

Supervisors and department heads are not authorized to give employment references to any outside person, organization, or agency. Any variance from this policy must be approved by the Human Resources Manager, or designee.

SECTION IV. That Section 7, Termination and Resignation and Section 14.4, Administrative Relief From Duty of the City of Kingsport Policies and Procedures Manual, revised September 1998, and all other existing policies and administrative regulations pertaining to the subject of the policies herein set out in Section I, Section II, and Section III of this resolution are repealed.

SECTION V. That nothing herein shall be construed to conflict with or supersede any applicable state or federal law.

SECTION VI. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 17<sup>th</sup> day of February, 2009.

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DENNIS R. PHILLIPS, MAYOR

ATTEST:

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JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

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J. MICHAEL BILLINGSLEY, CITY ATTORNEY



## AGENDA ACTION FORM

**Consideration of a Resolution to Authorize the Mayor to Execute all Documents Necessary for Amendments to the Kingsport Higher Education Center Architect's Agreement with McCarty Holsaple McCarty Architects, Inc.**

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Action Form No.: AF-47-2009  
 Work Session: February 16, 2009  
 First Reading: February 17, 2009

Final Adoption: February 17, 2009  
 Staff Work By: D. Mason  
 Presentation By: Campbell

**Recommendation:** Approve the resolution.

**Executive Summary:**

The City has proposed that space for additional offices be provided inside the Kingsport Center for Higher Education which is currently under construction.

Additional design services are required from the Architect in order to modify the current plans to reconfigure a classroom and student lounge area on the first floor of the building to provide additional office space and maintain the student lounge area.

The costs for these additional design services will be paid on an hourly basis with a maximum not to exceed amount of \$9,000 and will be funded from GP0726.

**Attachments:**

1. Resolution
2. Supplemental Agreement No. 4

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE SUPPLEMENTAL AGREEMENT NO. 4 TO THE OCTOBER 7, 2007 AGREEMENT WITH MCCARTY HOLSAPLE MCARTY ARCHITECTS, INC. FOR DESIGN SERVICES RELATED TO THE KINGSPORT HIGHER EDUCATION CENTER AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, the city and McCarty Holsaple McCarty Architects, Inc. (ARCHITECT) entered into a contract on October 7, 2007, to acquire professional design services for the new Kingsport Higher Education Center; and

WHEREAS, the city wishes to provide additional office space in the Kingsport Higher Education Center; and

WHEREAS, additional design services will be required from the ARCHITECT to reconfigure spaces in the design for said offices; and

WHEREAS, the additional design services, in an amount not to exceed \$9,000.00, will be funded from GP0726 funds;

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN as follows:

SECTION I. That the Mayor, or in his absence, incapacity, or failure to act, the Vice-Mayor, is authorized to execute, in a form approved by the City Attorney and subject to the requirements of Article X, Chapter 10 of the Charter of the City of Kingsport, Supplemental Agreement No. 4 modifying the October 7, 2007 architect's agreement with McCarty Holsaple McCarty for the Kingsport Higher Education Center to include additional design services for a total amount not to exceed \$9,000.00.

SECTION II. That this resolution shall take effect immediately upon its adoption, the public welfare requiring it.

ADOPTED this the 17th day of February, 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, CITY ATTORNEY

**AGREEMENT BETWEEN OWNER AND ARCHITECT  
SUPPLEMENTAL AGREEMENT NO. 4**

**THE KINGSPORT HIGHER EDUCATION CENTER**

SUPPLEMENTAL AGREEMENT made and entered into this 17th day of February, 2009, by and between the City of Kingsport, hereinafter referred to as "Owner" and McCarty Holsaple McCarty Architects, Inc., hereinafter referred to as the "Architect".

WITNESSETH THAT:

WHEREAS, the Owner and the Architect entered into a contract on October 7, 2007, to acquire professional design services for the new Kingsport Higher Education Center; and

WHEREAS, the Owner and the Architect have previously executed Supplemental Agreements Nos. 1, 2 and 3 to the contract; and

WHEREAS, the Owner wishes to modify the agreement to include additional design services related to additional office space within the Kingsport Higher Education Center; and

NOW THEREFORE, it is hereby agreed between the parties hereto that the contract of October 7, 2007 be modified as follows:

**SCOPE OF SERVICES**

The scope of the project is hereby amended as shown on the attached Exhibits:

Exhibit A – Correspondence dated January 23, 2009 detailing additional services to design office spaces.

**COMPENSATION**

Section 1.5 of the Agreement is hereby modified as follows:

Add the following to Section 1.5.3:

**§ 1.5.3.3 Additional Services relative to reconfiguring rooms 117, 119, 121 and adjacent areas as needed to provide additional office spaces and a student lounge area for an amount not to exceed \$9,000.00**

ORIGINAL CONTRACT

All requirements of the aforesaid contract of October 2, 2007, except as specifically modified by this Supplemental Agreement No. 4, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused these present to be executed by their respective officers duly authorized as of the day and year first above written.

OWNER:  
CITY OF KINGSPORT

ARCHITECT:  
McCARTY HOLSAPLE McCARTY

\_\_\_\_\_  
Dennis R. Phillips  
Mayor

\_\_\_\_\_  
Douglas H. McCarty, AIA  
President

ATTEST:

\_\_\_\_\_  
City Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

*(Executed in Duplicate Originals)*



## AGENDA ACTION FORM

### Consideration of an Ordinance Amending Various Code Provisions Allowing Sidewalk Cafe Dining Facilities in the Downtown Business Area

To: Board of Mayor and Aldermen  
From: John G. Campbell, City Manager

Action Form No.: AF-29-2009

Work Session: February 2, 2009

First Reading/(Business Matters Held):  
February 3, 2009

Final Adoption: February 17, 2009  
Staff Work By: Beverage Board  
Presentation By: Billingsley

**Recommendation:** Approve the ordinance.

### **Executive Summary:**

The attached ordinance creates a mechanism to permit sidewalk cafe dining facilities in the downtown business area, which includes the property inside the area bounded on the south by Main Street, the west by Clinchfield Street, the north by Sullivan Street and the east by the intersection of Sullivan and Main Streets. Attached is a map of the area.

The ordinance will allow downtown restaurants the opportunity to establish sidewalk dining facilities in front of their restaurants after obtaining a permit from Public Works. The ordinance amends several code provisions to permit this function.

This ordinance was suggested by some downtown restaurant owners and has been reviewed, revised, and approved by the Beverage Board. It is based in part on similar ordinances in Knoxville, Asheville, North Carolina, and Greenville, South Carolina.

The permit will ensure that the use of the public right-of-way, which in this area is owned by the city, will be consistent with appropriate areas designated and set off with barriers and that the use will not interfere with the use of the right-of-way by the city.

### **Attachments:**

1. Ordinance
2. Map

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—



## AGENDA ACTION FORM

### Consideration of an Ordinance to Appropriate Funds Necessary to enter into a Materials Agreement with Gary Alexander Related to Riverbend - Phase I

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Action Form No.: AF-34-2009  
 Work Session: February 2, 2009  
 First Reading/(Business Matters Held):  
 February 3, 2009

Final Adoption: February 17, 2009  
 Staff Work By: R. McReynolds  
 Presentation By: R. McReynolds

#### **BMA Strategic Plan 2005-2006**

(CV=Core Value, KSF=Key Success Factor, KSO=Key Strategic Objective)

CV #:

KSF #

KSO #

**Recommendation:** Approve ordinance

#### **Executive Summary:**

In an effort to promote smart growth and infield development as well as encourage the new housing market within the Kingsport city limits, the City of Kingsport passed the Materials Agreement Policy as set forth in Resolution 2007-084. Developers have the opportunity to enter into an agreement with the City whereas the City furnishes the water and sewer materials for the developers use within the developer's proposed subdivision. The developer would be responsible for posting a cash bond covering the cost of the materials that would be available for refund (minus sales tax) once the project is completed and has been approved by the City Engineer and the Regional Planning Commission.

Pursuant to is policy, Gary Alexander has requested that his proposed development, Riverbend – Phase I, be allowed to participate in the materials agreement program. The total amount of the agreement is proposed at \$65,938.71.

To date, including this development, the program has supported 669 new/proposed lots within the City of Kingsport. Of those lots, 20 Certificates of Occupancy have been issued to date.

#### **Attachments:**

1. ~~Resolution~~
2. Ordinance
3. Agreement
4. Cost Table
5. Location Map
6. Development Chart

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—





## AGENDA ACTION FORM

### Consideration of an Ordinance to Appropriate the Funds to Complete the Project for the Construction of the Rock Springs Fire Station to Trademark

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Action Form No.: AF-28-2009

Staff Work By: Committee

Work Session: February 2, 2009

Presentation By: J. Campbell/C. Dye

First Reading/(Business Matters Held):

February 3, 2009

Final Adoption: February 17, 2009

**Recommendation:** Approve ordinance.

### **Executive Summary:**

Bids were opened on January 27, 2009 for the construction of the Rock Springs Fire Station. It is recommended to accept the bid from Trademark in the total amount of \$1,490,803.00 (Base bid\$ 1,594,000.00 less the negotiated value engineering in the amount of \$103,197.00) as follows:

Base Bid	- \$1,490,803.00
6% Contingency	- \$ 89,448.00

This ordinance will provide the funding to complete the project.

### **Attachments:**

1. ~~Resolution~~
2. Letter of Recommendation
3. Bid Minutes
4. Ordinance

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—



**Consideration of an Ordinance to Amend the General Project Fund Budget by Appropriating Public Improvement Bond Series 2009A, G.O. Bond Series 2009B and Local Option Sales Tax Revenue and Tax Bond Series 2009C**

To: Board of Mayor and Aldermen  
 From: John Campbell, City Manager

Action Form No.: AF36-2009  
 Work Session: February 2, 2009  
 First Reading /(Business Matters Held):  
 February 3, 2009

Final Adoption: February 17, 2009  
 Staff Work By: Smith/Winkle  
 Presentation By: Campbell

**Recommendation:**

Approve the ordinance.

**Executive Summary:**

Approve an ordinance to appropriate General Obligation Bond Fund Series 2009A not to exceed \$12,305,000 to fund the parking garage, K-Play, Stormwater, Riverwalk, School Security Upgrades, School Property Acquisition, Sevier Band Room, Library Design and Improvements, Justice Center Improvements and Road Improvements. General Obligation Bond Fund Series 2009B not to exceed \$7,145,000 to fund the V.O. Dobbins renovations and Local Option Sales Tax Revenue and Tax Bond Series 2009C not to exceed \$15,305,000 to fund the Meadowview Conference and Convention Improvements project.

**Attachments:**

1. Ordinance

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Shupe	—	—	—
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Phillips	—	—	—



## AGENDA ACTION FORM

### Consideration of Issuance of Certificate of Compliance for Greenacres Package Store to Sell Retail Alcoholic Beverages

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Action Form No.: AF-46-2009  
 Work Session: February 16, 2009  
 First Reading: N/A

Final Adoption: February 17, 2009  
 Staff Work By: Kathy Reynolds  
 Presentation By: Jim Demming

### Recommendation:

Consideration of the issuance of a Certificate of Compliance to the Greenacres Package Store to sell retail alcoholic beverages.

### Executive Summary:

Attached is an application for the Greenacres Package Store that has been filed with the City Recorder for a Certificate of Compliance to sell retail beverages. The Greenacres Package Store currently has a Certificate of Compliance, but the owner would like to relocate his business and has reapplied.

Section 6-74 of the City Code states that to assure that all requirements are satisfied, no original or renewal Certificate of Compliance shall be issued for any location until:

1. An application has been filed with the City Recorder; and
2. The application complies with all restrictions as to location and number of retail licenses to be issued within the City; and
3. The application has been considered at a regular or called meeting of the Board and approved by a majority vote.

This application has met the requirements of Section 6-74 of the City Code. The Police background check has been conducted on the applicant and the results are attached for your review.

### Attachments:

1. Application
2. Police Background Report

Funding source appropriate and funds are available : \_\_\_\_\_

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

## CITY OF KINGSPORT

### APPLICATION FOR CERTIFICATE OF COMPLIANCE

#### INSTRUCTIONS

1. Answer all questions completely. Use blank space at end of form for extra details on any question for which you have insufficient space.
2. Type, print, or write carefully. Illegible or incomplete forms will not receive consideration.
3. Consider your answers carefully. Your signature at the end of this form will certify as to their correctness. **YOU WILL BE SIGNING THIS APPLICATION UNDER OATH AND WILL BE SUBJECT TO PENALTY OF PERJURY FOR FALSE ANSWERS.**
4. An application must be completed by all individuals having any interest, direct or indirect, in the Licensee as owner, partner, stockholder, member, director, and officer or otherwise.

1. Name of Licensee

Kenneth W. Glass

2. Full name of person completing this application

Kenneth W. Glass

3. Home Address - Mailing Address and Street Address

Home - 301 Rosewood Circle, Kingsport, TN 37664  
Mailing - 1229 N. Eastman Rd. Ste 220 & 225, Kingsport, TN 37664

4. Telephone Number Licensee can be reached

(423) 817-9500

5. Date of Birth and Social Security Number

6/17/1969

6. Name of Liquor Store

Greenacres Package Store

7. Business Address

1229 N. Eastman Rd. Ste 220 & 225, Kingsport TN 37661

8. Zoning Designation of Business Address Listed at Item 7.

9. Names, addresses and phone numbers of three (3) residents of the City of Kingsport that have known each applicant for at least two (2) years.

Name	Address	Phone Number
<u>Mike Freeman</u>	<u>4174 Triangle Circle Kpt TN</u>	<u>(423) 341-3314</u>
<u>Miles Burdine</u>	<u>1937 Birchwood Rd. Kpt TN</u>	<u>(423) 956-1988</u>
<u>Steve Swinney</u>	<u>2120 Heatherly Rd, Kpt TN</u>	<u>(423) 723-0363</u>

10. Have you been convicted of a felony in Tennessee or anywhere else within a ten-year period immediately preceding the date of this application?

NO

11. Please list all convictions for misdemeanors in Tennessee or anywhere else, including date and place of conviction, within a ten-period immediately preceding the date of this application.

N/A

12. Have you been charged with or indicted for a criminal matter that has not been fully resolved in Tennessee or anywhere else? Yes \_\_\_\_\_ No X If yes, please provide details of the charge, the name of the charging jurisdiction, the status of the charge and when you expect the charge to be resolved.

13. That the applicant will comply with the state statutes, federal statutes, ordinances of the City of Kingsport, and all rules and regulations with reference to the sale of alcoholic beverages.

Yes X No \_\_\_\_\_

14. Is the applicant now and has been for at least two years prior to the date of this application a bona fide resident of the state of Tennessee.

Yes X No \_\_\_\_\_

15. The applicant further understands that the business will be actively engaged in the retail sale of alcoholic beverages at the liquor store within ninety (90) days after the license is granted or this certificate of compliance is void.

Yes X No \_\_\_\_\_

I understand that any applicant making a false statement in the application or withholding information on this application shall result in a denial of the certificate or the revocation of the license.

In addition to the denial of the certificate I further understand that by signing this application I am stating that the information contained therein is true and correct to the best of my knowledge, information and belief and that I sign this application under penalty of perjury.

STATE OF TENNESSEE  
COUNTY OF SULLIVAN

The undersigned, Kenneth W. Glass, hereby makes oath and swears that all the facts and answers set forth in the above application are true and correct to the best of my knowledge, information, and belief. The undersigned further makes oath that if the applicant is a corporation, firm, joint-stock company, syndicate, partnership or association, that he or she is authorized to execute this application on behalf of the owner.

In testimony whereof witness my signature on this the 12<sup>th</sup> day of February 2009.

Kenneth W. Glass  
Applicant

Sworn to and subscribed by Kenneth W. Glass before me, a notary public in and for said State and County, on this the 12<sup>th</sup> day of February, 2009.

My commission expires 10/29/2012



Ray H. Adams  
Notary Public

City Planner

Is requested location for distribution, wholesalers, manufacturers, warehouses, businesses in an area designated and zoned for those uses under the laws and ordinances of the City of Kingsport?

Yes ☒ No ☐

Is requested structure in a Nonconforming ☐ Conforming ☒ location under the zoning laws and ordinances of the City of Kingsport?

Is requested location within 200 feet of property on which any public or private school (K-12) is located?

Yes ☐ No ☒

\*Signature of City Planner

**Reynolds, Kathy**

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**From:** Elliott, Nathan  
**Sent:** Friday, February 13, 2009 11:15 AM  
**To:** Reynolds, Kathy

I have completed the background investigation on Kenneth Glass. Mr Glass is the listed applicant for Greenacres Package Store with the listed location of 1229 N Eastman Rd ste 220-224, Kpt TN.  
I did not find anything in his background that would question his approval for a beverage permit.

2-13-09

**Detective Nathan Elliott/123/Vice Unit**  
**Kingsport Police Dept**  
**200 Shelby St**  
**Kingsport TN 37660**  
**Office(423) 229-9434**  
**Cell (423) 416-2503**  
**Fax (423) 246-3736**